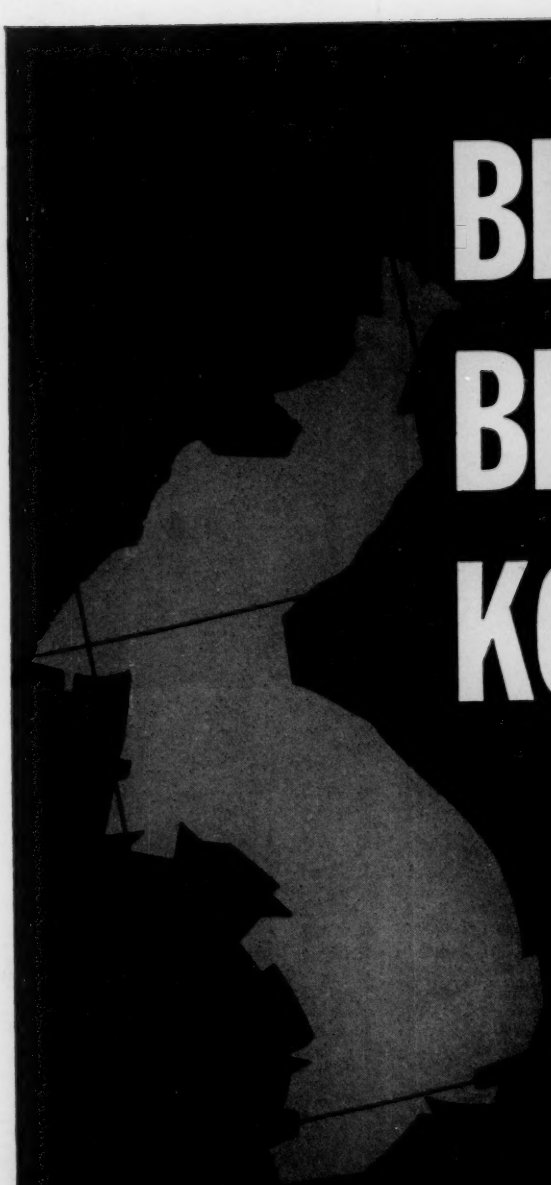
OCTOBER 28, 1955 20 CENTS

U.S. News & World Report

The United States News & World Report

TRADE AT XMAS TO BREAK RECORDS



BLUNDERS BEHIND THE KOREAN TRUCE

An Inside Story of How U. S. Lost the Armistice

By Admiral C. Turner Joy
U. S. N., Retired

Keeping America on the GO...with **TIMKEN** *Tapered Roller Bearings*

Wheat field near Four Lakes, Washington.

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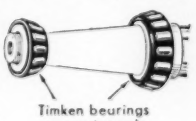
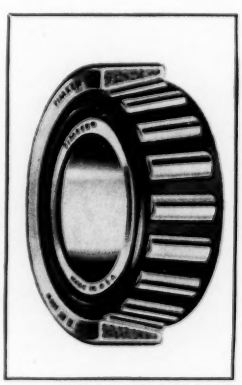


Timken bearings on tractor axle



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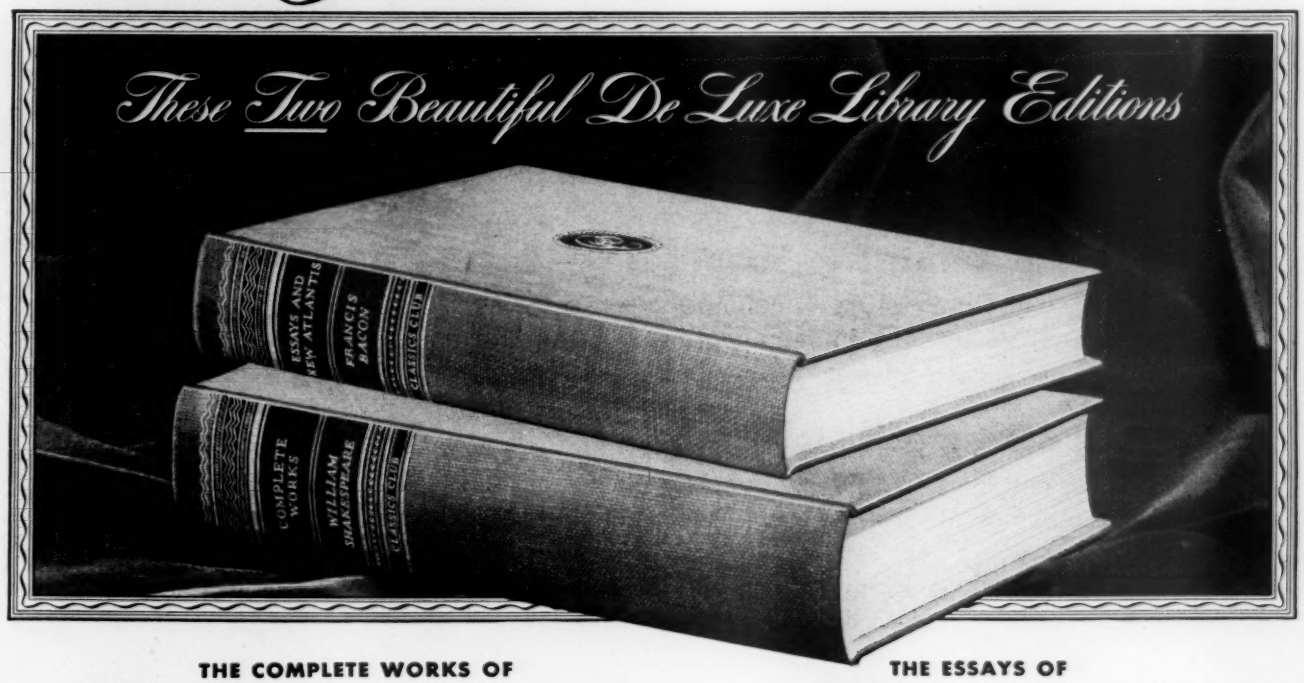

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★ Did Military Chiefs Insist on Yalta?

Here is the whole story, as brought to light for the first time in official documents. The record of General MacArthur's recommendations about bringing Russia into the Pacific war: starts on page 31. Plans for the invasion of Japan, with Joint Chiefs' views: page 38. Text from war records now released: page 68.

★ Will Ike's Top Adviser Stop Nixon?

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WORLD REPORT

U. S. WEEKLY
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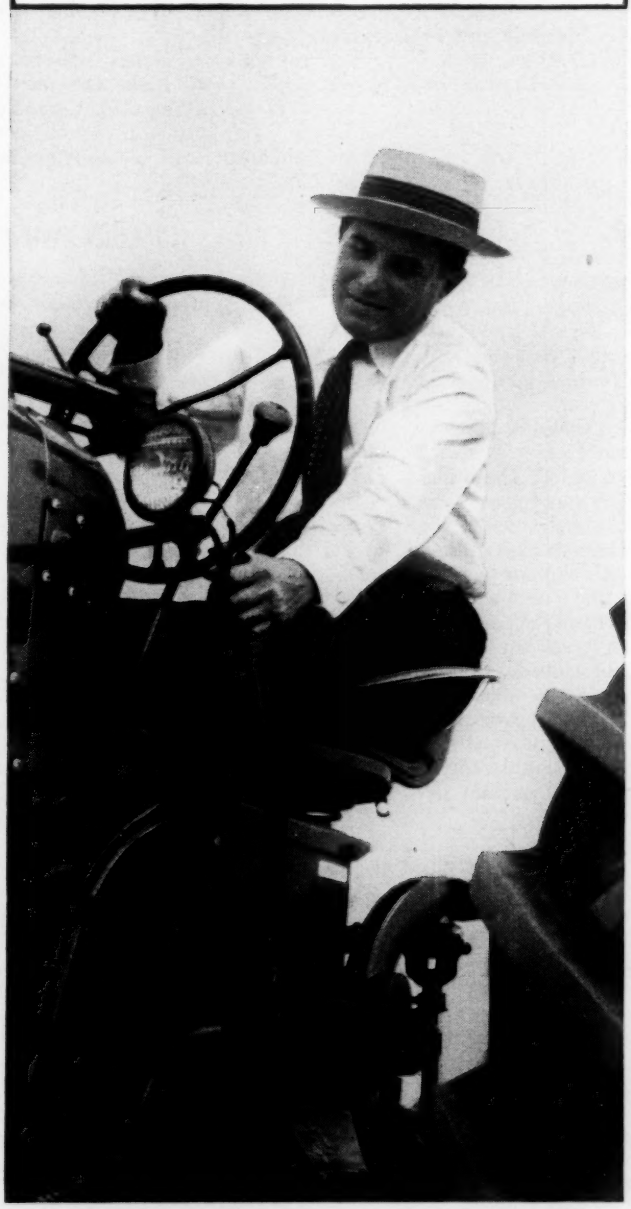
Ever see your banker drive a tractor?



If you watched the man you see here as he carefully put this tractor through its paces—if you saw the professional eye he had for its performance—you might take him for a farm equipment manufacturer. But he's actually a lending officer from The First National Bank of Chicago!

He's from Division C—the Division of our Commercial Banking Department that specializes in serving the firms that build agricultural implements and construction equipment. His boyhood love for farm machinery has developed into a thorough, up-to-date knowledge of heavy equipment during his 35 years at The First.

This kind of interest and knowledge produces a mutually profitable and much easier business relationship with our customers. That's why each of our 10 Divisions serves a certain group of industries exclusively. That's why the officers of each Division are "industry specialized" bankers who get out on the job and keep up with developments in their fields as few other bankers do.

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YOUR **PLM** AGENT

serves you these eight ways

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STILL MORE OF US

THE CROP OF BABIES continues to surprise the experts by its size and the Census Bureau finds itself, once more, revising its population estimates upward.

If births continue at the present level, the forecasters announced, the U. S. will have 14.2 million more people in 1960 than it has in 1955. The earlier Census Bureau guess for growth in the same period was 12.6 million. For the years 1955 to 1975, the official forecast of growth has gone up from 56.2 million to 63.3 million.

The new forecast puts total population in 1975 at 228.5 million. That compares with an earlier Census Bureau guess of 221.0 million people in 1975, and an unofficial forecast of 227.9 million made by the Economic Unit of *U. S. News & World Report*.

EMPTY CAPITAL?

THE ENTIRE POPULATION of Washington, D. C. will be ordered to flee from the city if an enemy attack appears probable. That news was relayed last week by Comdr. Edward L. Beach, naval aide to President Eisenhower. It took the city's civil-defense planners completely by surprise.

The decision to evacuate was made some weeks ago when President Eisenhower signed a secret order. The Chief Executive decided to evacuate the White House staff simultaneously with the city's 846,000 inhabitants instead of having Government officials slip out of town first. Idea is to avoid the "panic and disorganized flight" that might result if Washingtonians discovered the White House was being abandoned, Comdr. Beach explained. Urging city officials to move quickly to formulate an evacuation plan, the White House aide warned that the President and his staff could become entangled in any traffic chaos that developed in a mass evacuation.

RUSSIA'S PASSENGER JETS

RUSSIAN SKIES were in the news on two counts last week. Gen. Vladimir Zakharov, deputy chief of the Soviet civil air services, announced that the U.S.S.R. will start using jet planes on its domestic airlines early next year. Russia's jet transports, he said, will carry 50 to 60 persons and travel at speeds up to 500 miles per hour.

In another development, Moscow Radio announced that Russia is opening its airports to the non-Communist world for the first time. Finland is to be the first outside nation to land its planes in Moscow. Flights from France will be next, according to rumor. U. S. Congressmen who visited Russia recently pressed the question of American commercial flights to Moscow, but got no firm answers.

DEFENSE BUDGET

A HALF-BILLION-DOLLAR SLASH in military spending was ordered by Defense Secretary Charles E. Wilson. After a conference with President Eisenhower in Denver, the Secretary laid down some "general guidelines" for his subordinates to follow in achieving those savings.

Sharpest ax for economy will be felt by the civilian arms of the Defense Department. Some 68,000 civilian employes are to be pared from the payroll in an effort to hold defense spending at 34.5 billion dollars per year.

SENATORS' HOMECOMING

THREE U. S. SENATORS, traveling in Europe on Appropriations Committee business, found themselves the object of "special treatment" last week. The Defense Department announced that it was sending two 66-passenger transport planes to Europe, at a cost of $20,000, to fetch the Senators and their wives home to the U. S.

Informed of this development, Senator Dennis Chavez (Dem.), of New Mexico, said he had "requested nothing." Senator John McClellan (Dem.), of Arkansas, said he'd "never heard of such a story." And the office of Senator John Stennis (Dem.), of Mississippi, said the whole thing was a "complete surprise."

The confusion stemmed from a law authorizing members of Congress to make inspection trips abroad. Since the Senators were studying military installations, Defense officials said they were obligated to provide transportation "without question." And, on the dates requested, no regular aircraft were available.

SEGREGATION DECISIONS

IN TENNESSEE, a federal judge approved a State plan to admit Negroes gradually to its white colleges, with Negroes admitted to graduate schools immediately; as undergraduate seniors next year; as juniors the following year, and so on.

In Florida, the State Supreme Court ruled that segregation in Florida schools is unconstitutional, but that integration need not be immediate.

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As a result of these experiences—and those of hundreds of other firms—we have some specific suggestions about communications we'd like to pass along to you. Just call your Bell Telephone Business Office. There's no obligation. A representative will visit you at your convenience.

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Here are some examples:

Boston to New York	**75¢**
Des Moines to Minneapolis	**85¢**
Phoenix to Los Angeles	**$1.10**
St. Louis to Denver	**$1.60**
San Francisco to Washington, D. C.	**$2.50**

These are the daytime Station-to-Station rates for the first three minutes. They do not include the 10% federal excise tax.

CALL BY NUMBER. IT'S TWICE AS FAST.

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takeoff to tomorrow

This is the SeaMaster story—foreword to a new chapter in the epic history of Naval aviation.

Now being readied for its role as the U.S. Navy's first multi-jet attack seaplane, the primary mission of the big swept-wing Martin XP6M will be mine laying and photo-reconnaissance. And it promises to be of major military importance.

For the SeaMaster is the first of a new aircraft *type*. And as the spearhead of a whole new arm of the naval arsenal—the Seaplane Striking Force—it now focuses attention upon a revolutionary principle of military strategy known as the waterbased aircraft concept. Here's why:

The SeaMaster has global range. Powered in the over-600 *mph* class, it can operate from the seaways, lakes and rivers of the world, on extended periods of duty, and independent of fixed bases. For the Martin development program includes facilities for off-shore maintenance, refueling and resupply which provide a flexibility and mobility never before possible in military aircraft.

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BALTIMORE

Washington Whispers®

[Items appearing on this page are reported in Washington and other news centers]

Ike Watches His Income . . . AFL, CIO Map Free-Spending Campaign for '56 . . . Truman, Kefauver Bury the Hatchet

President Eisenhower is having to give attention to his investments and to a source of livelihood for the time when he steps out of the White House 15 months from now. Ike voluntarily gave up a $20,000 annual pension as General of the Army when he ran for President.

★ ★ ★

Jan. 20, 1956, the third anniversary of his inauguration, is being mentioned as the date on which the President will make known his plans for the future.

★ ★ ★

Thomas Dewey, on orders from the U. S. Department of State is getting full official honors on his present world trip. Mr. Dewey, twice the Republican nominee for President, is the first civilian to get such honors since Adlai Stevenson made his world tour.

★ ★ ★

Adlai Stevenson's picture at the Democratic National Committee headquarters has been moved from its place next to that of Harry Truman to a less conspicuous spot. Some politicians are reading significance into this.

★ ★ ★

There is nothing to the published story that George Humphrey, Treasury Secretary, expressed the opinion that Earl Warren, Chief Justice of the U. S., is the man the Republicans should nominate in 1956. It is accepted by top Republicans that the Chief Justice has effectively taken himself out of the race.

★ ★ ★

Lyndon Johnson, Majority Leader of the Senate, is to be the "favorite son" of Texas for the Democratic nomination. Senator Johnson would like States of the South to work together to get a nominee considered friendly to that region.

★ ★ ★

Senator Richard Russell, of Georgia, would be a "natural" for the Democratic nomination in 1956 if it were not for the power of labor-leader and Negro opposition in big cities of the North. As it is, the Georgia Senator can go into the Convention with one of the biggest blocs of votes.

★ ★ ★

Harry Truman, former President, is forgetting the grudge that he has harbored against Estes Kefauver, Tennessee Senator, ever since Mr. Kefauver beat him in a 1952 primary in New Hampshire. The new friendliness between Mr. Kefauver and Mr. Truman is taken as another sign that Mr. Truman is less solidly for Adlai Stevenson in 1956.

★ ★ ★

Christian Herter, Governor of Massachusetts, is reported to have asked his friends to give out word that his health would not permit him to be seriously considered for the Republican presidential nomination.

★ ★ ★

Political staffs of the CIO and AFL already have worked out details of a merger that will permit them to swing into action early in the 1956 campaigns. The union political specialists expect to have the largest budget ever to be set up by a labor group for political purposes.

★ ★ ★

Charles Wilson, Secretary of Defense, is discovering that, if he cuts American defense spending much, if any, below 34.5 billion dollars a year, the act will touch off a scramble among allies in Europe to go ahead with drastic cuts in their arms budgets. American taxpayers are caught by the need for setting an example for nations friendly to the U. S. in spending on defense.

★ ★ ★

Milton Eisenhower, the President's brother, and Dr. W. I. Myers, dean of the college of agriculture at Cornell University, are the top advisers to Ezra Benson, Secretary of Agriculture, on farm policy.

★ ★ ★

The State Department, under a Republican Administration, now has fired two officials who pressed for early publication of secret papers of the wartime and postwar conferences. Diplomats of U. S. and Great Britain oppose publication, preferring to let those who participated sell for publication their particular papers and versions of what happened.

★ ★ ★

President Eisenhower, if permitted to read all his mail, would learn that he is being flooded with offers from winter-resort areas bidding for a visit during his convalescence.

★ ★ ★

Democratic planners are beginning to be worried by the thought that Republicans will be credited by voters with any tax cuts that are made in 1956. Some Democrats, as a result, are beginning to suggest that maybe there should be no tax cuts next year or, if there are any, that they should be small.

★ ★ ★

Friends of Richard Nixon, including many who were delegates for Earl Warren in 1952, deny that Mr. Nixon went through the train on the way to the Chicago Convention trying to line up second-choice support for Dwight Eisenhower. Mr. Nixon was a member of the delegation supporting Mr. Warren for the nomination.

He used to face Christmas with bats in his attic
'Cause stocks were uncertain and shipments erratic

But now he's clear-headed, he's learned how to say
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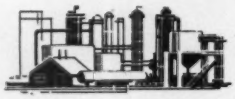
... refining sugar  or petroleum

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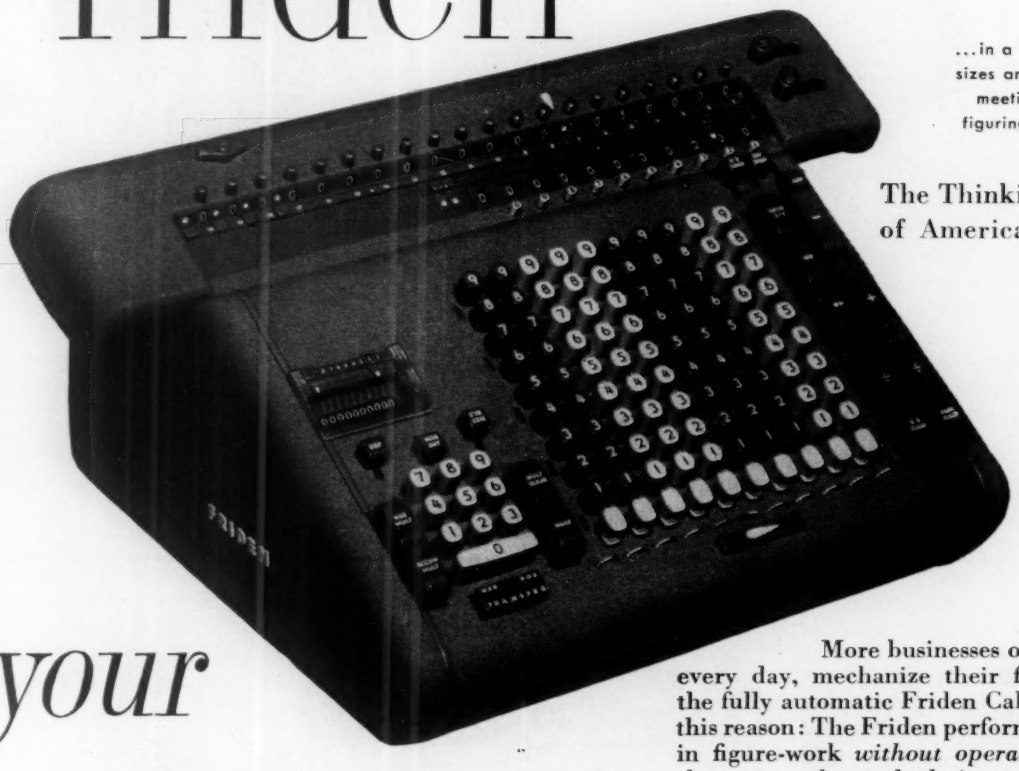

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PRODUCTS OF FRIDEN

THE AUTOMATIC CALCULATOR
THE NATURAL WAY ADDING MACHINE
THE COMPUTYPER
THE ADD-PUNCH MACHINE

FROM THE NATION'S CAPITAL

Tomorrow®

A LOOK AHEAD

Newsgram®

24th and N Streets, N.W.
Washington, D.C.

We notice that people are looking for answers to a growing number of questions; that there is more uncertainty, more groping for assurance.

Politics leads in interest. Business outlook is not far behind. Then there are more questions about taxes, the stock market, farm prices.

What will Eisenhower do? That's the question most often asked. Will he retire after 1956? The answer now generally agreed to is: Yes. When and how will he make known his decision? That's the subject of hospital-room talks now being held. Timing and form of a statement are of highest importance.

Will Ike resign? The answer is: No. Will he specify a successor? Again, the answer is: No, he will not name a particular individual for the party to nominate in 1956. How about drafting Warren? It is agreed that the President will not resist the decision of the Chief Justice to remain out of politics. What then? Eisenhower is expected to point out that there are a number of younger men in the party qualified to be President.

Is Thomas Dewey, then, to try a comeback? His friends say a definite: No. Will Milton Eisenhower be encouraged? That, too, seems doubtful. A definite move is under way for Milton, but Ike will do nothing to encourage it.

What about Stassen? Again he will have his chance, but there is no sign now of a ground swell. George Humphrey? There is talk, but politicians at the moment are very age conscious, and he is older than Eisenhower. Knowland? The White House group says: No. Herter? Again, no spark.

Richard Nixon? The Vice President definitely is out front. Right now those who want to stop Nixon are having their troubles. Ike himself will do nothing affirmative to help them. Ike's brother Milton is opposed to Nixon, but the President is not expected to put a roadblock in Nixon's way.

How about the Democrats? It's among Stevenson, Harriman, Kefauver, with Stevenson out front as of now. That situation is less in the news, less important at the moment because nothing is to be decided soon. Eisenhower, on the Republican side, is currently engaged in figuring out his plans; and that's a hot subject, one that can be a sensation when it breaks.

Now, what about business? There is no doubt that it is very good, the best ever in most lines. But is it going to stay that way? It certainly will until the end of this year. Trade at Christmas will break all records.

How about next year? Chances are that business activity will reach its peak in the first quarter, then level out and maybe ease a little. The year

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as a whole is expected to be a good year, but one of stability compared with the surging boom of 1955. A boom such as the present can't go on forever.

1957? That's the year of big uncertainty. Much will depend upon how the election turns out. If Democrats win the White House, there may develop an attitude of watching waiting to see the kind of policies that will prevail.

Why the feeling that 1956 will level out or sag a bit? Because a policy of tighter money will take the top off the housing boom, may slow the boom in autos. Do officials want that? Yes, it is the objective of present policy, and all signs are that the policy is having its effect.

How so? Today's boom is based upon private borrowing, not upon borrowing and spending by Government. Cut available funds, make borrowing somewhat more expensive, and there gradually is less private spending. That's what is happening now, but it takes time to show up in general activity.

Is that different than in 1954? Yes. Then, Government was in a process of cutting out 10 billions of spending. Now, Government spending on goods and services--federal, State and local--is stabilized at around 76 billions. And private spending? It's rising fast, but is to be choked off somewhat.

Will that mean real trouble? No, because today's policies can change. If private borrowing slows, money will become easier and cheaper. Government, too, can encourage "easy" money, encourage borrowing again, not discourage it.

Is it going to do that? Very probably, once it feels the boom is checked. Anything else? Yes, taxes on individual incomes are going to be cut at least 2.5 billion dollars next year. Cuts probably will be retroactive.

What does that mean? It means that in 1956, at some point, Government will be striving to keep business very good. Government spending, too, will be maintained around present levels. There is no official desire to bring on a big setback of business. Peace and prosperity will be the election slogan of the party in power, and they need the prosperity for the slogan.

You can count on tax cuts, then? Very probably. Cuts will be modest, but they are coming. How about the budget? It may fare pretty well, even so. The reason: This year's boom is producing taxable income that will give the Government more revenue than it counted upon. Boom's effect is showing up now in revenue of States and cities, which often is much higher than expected.

A boom tends to smooth over a good many problems.

Does it all point to a revival of the bull market in stocks? That is anybody's guess, but the odds are regarded as against this, on any big scale.

Why so? Simply because political and other uncertainties are starting to enter the picture. Investors may tend to be more cautious until they get a better idea of what comes after 1956. Big profits, big dividends will tend to encourage investors in the period just ahead. After that? It's much more obscure. Profits in 1956 may not be as spectacular as in 1955.

But is 1956 being sized up as a good year? Yes, it is, but with trends different than in 1955. The bubble on the boom is to be restrained. At some time, maybe the second quarter, things might ease somewhat rather than go on up to higher and higher levels. That's as the Government wants it.

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A smile is his umbrella

"If anyone believes our smiles involve abandonment of the teachings of Marx, Engels and Lenin, he deceives himself poorly. Those who wait for that must wait until a shrimp learns to whistle."

NIKITA KHRUSHCHEV

DUTY HONOR COUNTRY
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The GRAY Manufacturing Company, Hartford 1, Conn.
Audograph and PhonAudograph "Pushbutton Dictation" Equipment
and Gray Research & Development Co., Inc., Specialists in Video, Audio and Electro-mechanical Devices

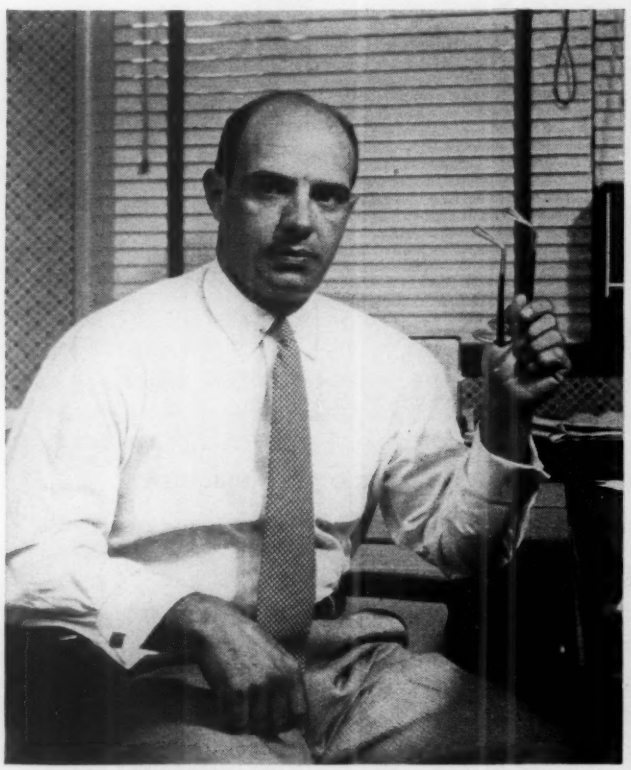
(Advertisement)

How the busy businessman can buy insurance like a 'specialist'

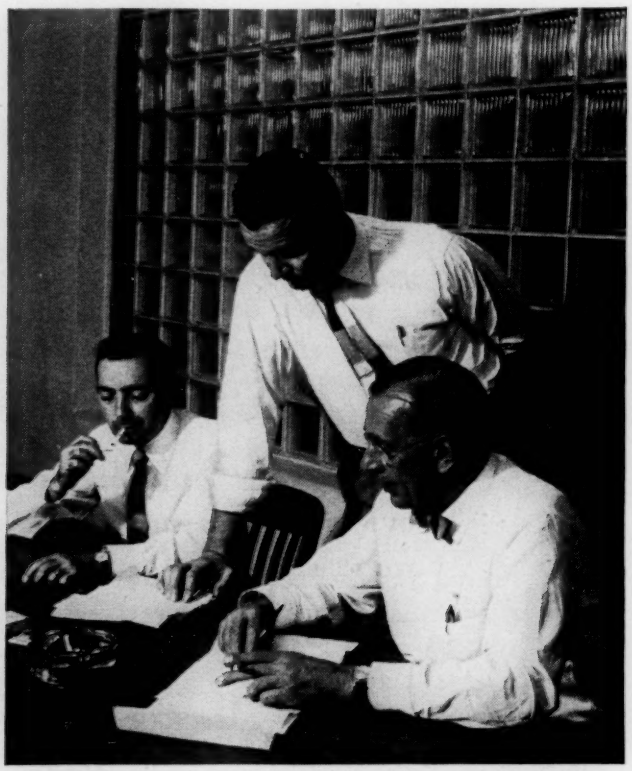
How to keep fully insured and not pay too much for this protection is the concern of many companies. Large organizations frequently have an insurance buyer on the staff, the 'specialist' who spends his time keeping his company's insurance program up-to-the-minute.

In smaller companies the treasurer, purchasing agent or even the boss himself may have to double on insurance-buying. This busy company, even lacking an insurance manager, can get 'specialist' advantages similar to those of the big fellow, resulting in astute insurance-buying.

Under North America's RISK-COST CONTROL program the agent and these experts bring an insurance 'specialist' into the picture



THE AGENT The agent, or broker, is an independent businessman. He knows from experience that the best way to make a living, and build a reputation, is to get his policyholder the 'best buy'—exactly the coverage that's needed at lowest cost. The big-company buyer also asks the agent for this kind of help in rounding out his program.



THE MEN WHO HELP: From North America headquarters a Fieldman, an Underwriter and a TR (Technical Representative) talk over an insured's risk picture. The Fieldman may help the agent survey a risk, obtain exact specifications or draw up an insurance program. Other experts help on underwriting, claims, loss prevention.

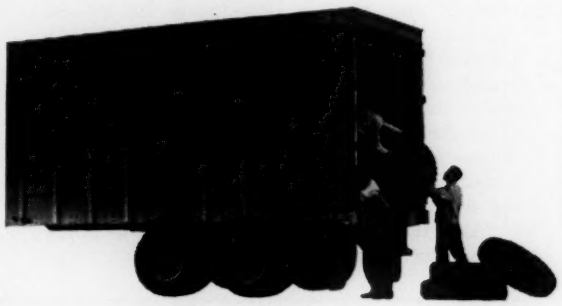
PEOPLE & PLACES

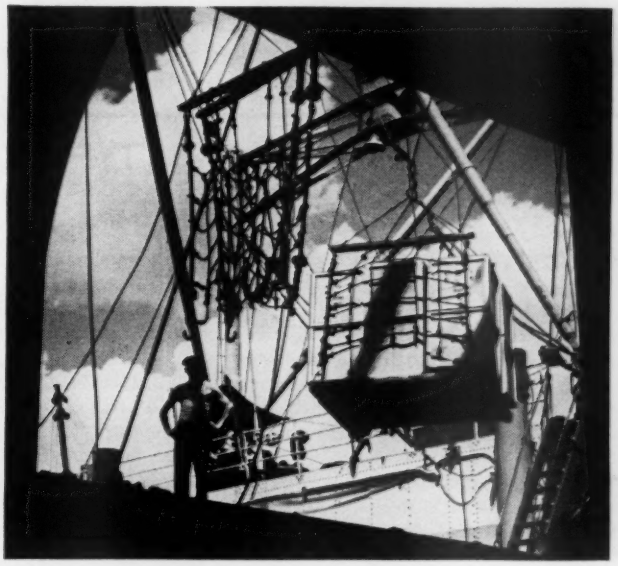
Scenes from the North America album showing how policyholders get world-wide insurance service with nearby control, complete confidence and low cost.

FACILITIES ABROAD This is Hong Kong, where North America maintains an office, one of 24 service offices abroad. North America is licensed to do business in 36 countries outside the U.S. This is important to the policyholder, who deals with only one insurance company on all properties, shipments, claims, adjustments, details, etc.

WHO'S LIABLE HERE? The nature of his operations often exposes a manufacturer to accidents and claims beyond the scope of ordinary liability coverage. North America's Blanket Liability Policy is tailored to the insured's specialized needs and covers every essential liability exposure to loss, ordinary or extraordinary.

PRODUCTS AWAY FROM HOME A manufacturer in Chicago ships goods on consignment and gets broad protection under North America's Manufacturer's Output Policy. It covers not only raw products going to plant, but finished products (like tires in the picture below) leaving plant—while in transit, in warehouses—and all property away from home.





PROTECTED CARGO Many marine losses are caused by poor packing and incorrect marking for shipment. When an exporter in Louisville decided to move a whole plant to the Far East, North America had the experience and the shipping knowledge to give the company valuable advice on how to prepare goods for shipment so the cargo would arrive intact and safe.

AN OUNCE OF PREVENTION Losses from fire, accidents and other hazards keep premiums up. North America maintains trained corps of specialists who show how to prevent accidents and losses before they happen. This puts the personnel and facilities of a large insurance organization practically on the policyholder's staff.

Talk over the advantages of buying insurance like a specialist with an agent of the North America Companies or your broker.

NORTH AMERICA

COMPANIES

Insurance Company of North America
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Philadelphia Fire and Marine Insurance Company

Protect what you have©

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PEOPLE ★ ★ ★

® OF THE WEEK

› SENATOR ESTES KEFAUVER waved his coonskin cap in the air last week but did not let it fly into the Democratic presidential ring. He did, however, drop hints that he would toss in the cap soon —possibly ahead of Adlai Stevenson's expected announcement next month that he will be a candidate for the nomination again in 1956.

One thing apparently holding up the Tennessee Democrat's decision was the need for substantial financial and organizational support in making the race. Asked about a report that some influential New York Democrats were prepared to finance Kefauver campaigns in the presidential-preference primaries next year, the Senator blurted: "I'd be glad to have them identified to me."

In 1952, Senator Kefauver was the first to announce for the Democratic nomination. He won preferential-primary contests in 13 States, lost out in two; went to the Democratic Convention with the largest number of pledged votes. He led the voting on the first two ballots, only to see Mr. Stevenson win the nomination on the third.

The Tennesseean, who is 52, has a friendly approach to the voters; tries to meet as many as possible, shake their hands. He recently returned from a two-month tour of European and Asian countries, including a visit to Russia, other Iron Curtain countries. The farm price-support issue, he believes, will play a vital role in the 1956 elections.

› CONNECTICUT'S GOVERNOR is seeking to restore confidence in his State —staggered by sneak floods twice in three months. By helicopter and automobile, **Abraham A. Ribicoff** has toured the stricken areas, talked with industrialists, shopkeepers, homeowners. He promised quick federal and State aid.

The Governor painted a picture of new dams to be built, new routes to be dug for many of the State's rivers, financial help for rebuilding of factories and shops on higher ground above the flood line. His objective: to encourage the flood-shaken residents to stay on, prevent a wave of migration by industry.

Governor Ribicoff was born in New Britain, Conn., 45 years ago; has been a booster of his home State ever since. The son of a factory worker, he helped to pay for his education by working as a newsboy, store clerk, plant manager. After getting his law degree at the University of Chicago he returned to Connecticut, opened a practice in Hartford.

Entering politics in 1938 as a Democrat, Mr. Ribicoff was elected to the State Legislature, jumped to the U. S. House of Representatives in 1948. Defeated in a bid for the Senate in 1952, he returned to public office last year by unseating Republican John Davis Lodge as Governor. One of his first moves after the disastrous August floods was to call a special meeting of the Legislature for early next month to "plan a greater Connecticut."

› A CENTRAL FIGURE in the rocky romance of the Princess and the pilot in Britain last week was **Dr. Geoffrey Fisher,** Archbishop of Canterbury. It was to him that Princess Margaret turned for guidance on her reported desire to marry Captain Peter Townsend, Royal Air Force hero who is a divorced father of two children.

As head of the Church of England, Dr. Fisher stands firmly behind a Church ban on sanctioning marriages of divorced persons. He feels that it helps couples to think more seriously about getting married in the first place.

The Archbishop, now 68, was appointed to his high position by Princess Margaret's father, the late King George VI, has maintained a close association with the Royal Family ever since.

An athlete and top honor student at Oxford, Dr. Fisher taught school for 21

(Continued on page 18)

NOW IT'S RUSSIAN NEWSPAPERMEN GETTING A VIEW OF U. S.

—Wide World

KEITH FUNSTON (LEFT) WITH VISITING RUSSIANS

› SOVIET NEWSMEN, on a month-long visit to observe the "best of things" in America, headed first for that citadel of capitalism—Wall Street. They heard **Keith Funston,** president of the New York Stock Exchange, explain the "freedom of capital to work where it pleases . . . is essential, we believe, to the increasing productiveness of a nation."

The Russian writers had one question. What about depressions? Mr. Funston gave them a brief talk on the law of supply and demand.

Also in New York, the seven Russians visited an automat cafeteria, let themselves in for a peck of trouble back home by admitting frankly that similar restaurants in Russia "are not as good as this."

Asked why Moscow jams U. S. broadcasts, one Red visitor smiled and said: "It is not worth the bother to liberate us."

At the Metropolitan Museum of Art, the Russians watched an amateur artist copying a painting, learned that he hoped "to prove to my wife that I can paint." Sighed one visitor:

"All wives are the same. You have to prove everything to them."

A penny saved is a penny earned – *maybe!*

Any businessman knows that
saving a few pennies here
can cost a few dollars there.

We've all seen it demonstrated time and again—an inferior product that won't do the job can wind up costing money. As a matter of fact, this old business axiom is being proved in many company washrooms right now.

If the washroom is stocked with low-priced paper towels that go to pieces when wet . . . or if the towels are too stiff to soak up water . . . *then they're not saving a cent.* People will grab a fistful of such towels every time they wash up.

You can expect lower consumption with a quality towel

ScotTissue Towels are not the lowest priced towel on the market, but *one ScotTissue dries two hands.* People don't have to reach for a second towel. This means consumption is lower—and so are your towel bills.

The ScotTissue Towel combines many qualities—such as fast absorbency, wet-strength, stretch, softness and whiteness—which mean much more towel for your towel-buying dollar.

Scott boosts employee morale

People buy more Scott products for their own use than any other brand. So naturally it's the brand they like to see provided where they work. According to a recent survey, good washroom facilities are one of the four main essentials for good employee relations.

Your nearest Scott representative can tell you why ScotTissue Towels will give you lowest towel consumption, greatest employee satisfaction, and lowest towel costs, all things fairly considered. Also, Scott offers a "Planned Poster Program" which you will find helps to cut down consumption, and promote cleanliness in your washrooms. This program can be yours without obligation—write to Scott Washroom Service®, Scott Paper Company, Dept. US-11, Chester, Pa.

It's good business to use
SCOTTISSUE® TOWELS

CONTINUED

years, was appointed a bishop in 1932 without ever having held a pastorate. He became Archbishop in 1945.

› NEW COMMANDANT of the U. S. Marine Corps, due to take up his duties January 1, is a veteran of Marine campaigns from Guadalcanal to Korea. **Lieut. Gen. Randolph Pate** survived a brush with death in the Pacific in 1942 to become one of the Corps' top planners.

General Pate entered the Marines in 1921 from Virginia Military Institute, where he was First Captain of Cadets and president of his class for four years. He saw the usual peacetime service at Marine posts around the globe, was a major at the outbreak of World War II.

Evacuated by air from Guadalcanal for hospital treatment of "jungle rot," the General was in a plane which was attacked by Japanese fighters, forced to crash-land on a sand strip off New Caledonia. He and nine other occupants of the plane were picked up by a destroyer after having been on the missing list 11 days.

General Pate returned to participate in other major Pacific operations, later commanded the First Marine Division during the final stages of the Korean war. At 57, he relaxes at fishing, wood carving, golf; reads a lot of history. He succeeds another VMI graduate, Gen. Lemuel C. Shepherd, who is retiring. Accepting congratulations from other service leaders on his appointment to lead the Leathernecks, General Pate said candidly: "I'm scared."

› RED OFFICIAL who led a group of Russian farm experts on a tour of the U. S. this summer has won a promotion. News that **Vladimir Matskevich** is the new Soviet Agriculture Minister came as no surprise to Americans who met and talked with him here. He left the impression of being a competent observer, well informed on agricultural problems and, above all, a shrewd politician.

Mr. Matskevich's political rise has been rapid since the death of Stalin and emergence of his friend, Nikita Khrushchev, as chief of the Communist Party.

The new Agriculture Minister was born in the Ukraine 46 years ago, began his Government career as director of a state farm. After a temporary eclipse of 18 months in 1952-53—when he was in political disfavor—he became First Deputy Minister of Agriculture. Now, as top man, he is expected to introduce American methods of corn and hog production.

› HEAD FORESTER of the U. S. fears that timber needs in the next two decades will outpace forest growth—raising the possibility of a lumber shortage by the year 2000. This estimate by **Richard E. McArdle,** Chief of the Forest Service, is made in a report on the first national survey of American timber resources since 1945.

Timber growth and cutting are about in balance now. But, as the population increases, the number of growing trees also will have to be increased to meet future needs. Mr. McArdle discloses that fire is no longer the main enemy of forest conservation. Diseases and insects are now more destructive.

Forester McArdle entered the Forest Service from the University of Michigan as a junior forester in the Pacific Northwest. He specialized in research and conservation, became Assistant Chief in 1944, Chief three years ago. His domain is made up of 149 national forests in 39 States, Alaska and Puerto Rico—a total area of 181 million acres.

The Chief Forester directs a staff of nearly 9,000 persons representing 25 different occupations. Two of his three sons have followed him in choosing forestry as a career.

IN DARKEST AFRICA—LONG LIVE THE KING!

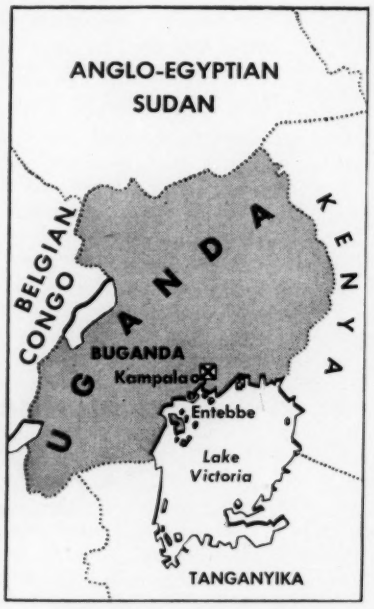
—Wide World

KING MUTESA II

› AN AFRICAN KING has reversed the trend of vanishing royalty, returned to his throne after two years of exile in London. The restored monarch is 30-year-old **Mutesa II,** ruler of 1.5 million people—mostly Negroes—in Buganda, in the heartland of Africa.

Buganda is the largest of four provinces of Uganda, a British protectorate rich in coffee, cotton. In November, 1953, after a dispute over Mutesa's powers, the British banished him to England, gave him a luxury apartment, an allowance of $22,000 a year.

Recently, the British cast uneasy glances at French colonial troubles in North Africa, decided to send Mutesa home. The King's arrival at his gleaming white palace in Kampala was a signal for joyful celebrations, bonfires, fireworks displays. Royal drums, silenced in protest for two years, boomed a welcome.



PROVINCE OF BUGANDA

Portrait of a First Family In Scotch

Ballantine's

LIQUEUR BLENDED SCOTCH WHISKY

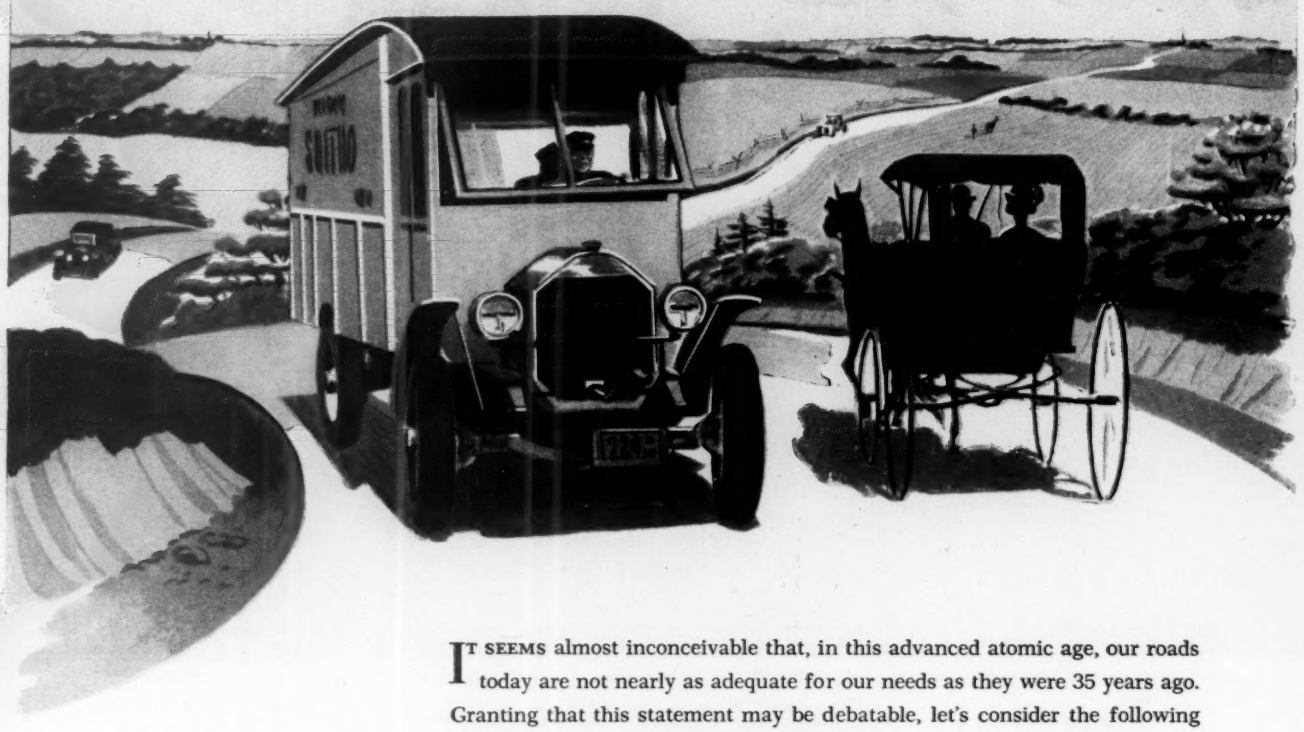
This illustrious and outstanding family of Scotch has made myriads of friends throughout the world. They have always regarded Ballantine's as "first" because of its magnificent blend of premium Scotch Whiskies. Now Ballantine's is the first Scotch to become available as a family of six sizes, and can be obtained in those areas where the sale of such sizes is legal.

Sizes left to right—Tenth, Half-Gallon, Fifth, Gallon, Half-Pint, Miniature.

The Crest of Quality

86 PROOF "21" Brands, Inc. NEW YORK CITY

Are America's Highways As Adequate Today As They Were 35 Years Ago?



IT SEEMS almost inconceivable that, in this advanced atomic age, our roads today are not nearly as adequate for our needs as they were 35 years ago. Granting that this statement may be debatable, let's consider the following facts and draw our own conclusions.

Everyone who drives on our streets and highways today is familiar with the hazards and delays caused by our overcrowded traffic conditions.

Thirty-five years ago our car and truck registrations totaled 9,231,000. Today we have 58,000,000 cars, trucks and buses. Of course, some roads have been widened and some bottlenecks have been eliminated, but we have made only a start at curing a sick situation.

Thirty-five years ago there were 105,000,000 people in this country, most of whom were independent of car, bus and truck transportation.

How that picture has changed! We have 163,000,000 people today — all of whom are greatly dependent upon cars, buses and trucks.

These are a few of the facts and if it's your conclusion that something should be done you can help to get it done — by lifting your voice for Better Roads. Talk to your friends. Talk and write to your legislators, your Governor, your Highway Commission and let them know that you are 100% in back of their efforts to get Better Roads. In this way you can surely help.

ATA FOUNDATION INC

AMERICAN TRUCKING INDUSTRY
Washington, D. C.

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WILL IKE'S BROTHER STOP NIXON?

Milton Playing Big Part in President's '56 Plans

Richard M. Nixon's prospects for 1956 are at stake in the talks between President Eisenhower and his brother Milton.

What will Ike do—

Quit and put Nixon in the White House?

Step aside and say nothing about 1956?

Keep the job while grooming a successor?

The President is approaching a decision. And he is talking it over with Milton.

Ike's brother is no Nixon-for-President enthusiast. One group even wants Milton himself to run—to keep Nixon in second place.

What follows is the story of political pressures at work around the Eisenhower brothers.

DENVER

President Eisenhower at this time is giving serious thought to his political future. Milton S. Eisenhower, the President's youngest brother, is counseling with him on the form and direction that his decisions will take.

Milton in recent days has spent a good deal of time with Ike. He is known as the one person in the world to whom the President turns to talk out his most intimate personal and political plans. The Ike-Milton visits in Denver have concerned politics and the Presidency.

Mr. Eisenhower must soon decide the course he will follow.

- He can coast along, saying nothing. That course involves political dangers, but will hold in check a scramble within the Republican Party.
- He can announce a decision to retire after '56, with no mention of any individual or group of individuals that he might consider qualified to take his place. This might merely spark a big fight.
- He can announce his own plans and indicate the direction in which his personal preference lies.

Until the President speaks, other Republican politicians must hold their tongues if they expect his favor.

The Nixon question. Milton's visit to Denver coincided with indications that the President might soon announce a decision to retire. There were hints that Ike considered saying something that would be taken by politicians to be definitely encouraging to Richard M. Nixon, Vice President.

—Wide World

MILTON EISENHOWER
"If the Eisenhower name is magic . . ."

Milton Eisenhower, however, is known to be opposed to Mr. Nixon's being chosen as successor to President Eisenhower.

In Denver, the counsel of Milton is for Ike to avoid any move that would advance the political fortunes of the Vice President. In giving this counsel, Milton Eisenhower reflects the view of a group within the "liberal" wing of the Republican Party.

Why Ike bows out. The President himself is known to have made up his mind that he would not, under any circumstances, accept a second nomination.

There are officials very close to the President who were convinced, even before his heart attack, that Ike would not run again. They say that Mr. Eisenhower was shocked when his friend Gen. Brehon B. Somervell died suddenly of a heart attack. He likewise was shocked when youthful Brig. Gen. Paul T. Carroll, a White House aide, died of a heart attack, and when heart attacks struck some of the businessmen and friends who had been guests at his stag dinners.

When Ike himself was stricken, that sealed it. The President is described as feeling that it would not be fair to the people of the country to seek office when there could be no assurance that he

–United Press

RICHARD NIXON OF CALIFORNIA
. . . out in front and hard to stop

could give all that it takes to fill that office.

Knowledge of the President's decision to retire has led some highly placed Republican leaders to consider the political effects of this decision.

One important group within the party has suggested that, if President Eisenhower is determined to retire, and plans an early announcement of that fact, the political realities might make desirable a resignation that would permit another Republican to become established in the Presidency before the November elections. A President seeking re-election enjoys a number of practical advantages that politicians recognize.

Richard Nixon would become President in event of an Eisenhower resignation. A Nixon nomination then would be taken for granted and a scramble within the party would be avoided.

A President who might win a new term in November, 1956, would be expected to hold more strength relative to Congress than one who had announced a decision to step out. Concern is being expressed now that the 1956 session of Congress may become a political circus if it is known that a change in the Presidency lies ahead.

The success or failure of Milton in getting his ideas across to Ike will become known only when the President makes public his decision. The form of that announcement—whether or not it gives encouragement to Vice President Nixon—will have widespread political effects.

Political snags. The problem of those who are out to "stop Nixon" appears, on the basis of soundings taken within the higher reaches of the Republican Party, to be quite difficult at best. In part, this problem is complicated by the high regard President Eisenhower has for the Vice President, and by the absolute loyalty that Mr. Nixon, in turn, has shown to Ike.

Many other factors as well are entering to complicate the "stop Nixon" moves.

The Vice President, for one thing, stands within a heart beat of the Presidency. When the President is ill, politicians are not inclined to rush to help scuttle the Vice President who, in case the illness proves fatal, might suddenly be President himself. The political enemies of a President, within the party, can count upon very little preferment.

In addition, it is proving difficult as a practical matter to find an individual willing or able to lead an effort to "stop Nixon."

Earl Warren, Chief Justice of the U. S., will squelch any move to use his name to try to stop anybody from the nomination. Chief Justice Warren is adamant in his determination to remain out of politics. The President will not ask him to change his mind.

Thomas E. Dewey, twice the Republican nominee and still a power within the Republican Party, is not interested in trying for a third nomination in 1956. Mr. Dewey will exercise great influence on the 1956 Republican Convention. A number of his political associates are known to be expressing the opinion that Vice President Nixon is deserving of his chance.

With Warren and Dewey out of it, there is talk of Christian A. Herter, Governor of Massachusetts. Governor Herter, however, was born in Paris, France, and a point is being made that the Republican Party would be buying a controversy if it chose him. Friends of the Governor say, too, that his health would cause him to hesitate to get into a national fight.

Harold E. Stassen's name has been mentioned but has failed to produce many political sparks, in the opinion of party politicians.

If Richard Nixon is to be stopped, the men who oppose him admit that they must find an individual to do it.

Enter Milton. It is at this point that the name of Milton Eisenhower, brother of the President, again enters. Whether with or without his consent, word is being spread that Milton Eisenhower

–United Press

THOMAS DEWEY OF NEW YORK
. . . a powerful voice at the '56 Convention

would be willing to have his name considered for the 1956 Republican nomination.

Those who are interested in heading off Mr. Nixon say these things:

"If the Eisenhower name is magic, then Milton has it. Milton is wise in the ways of politics. He has served as president of two State colleges, where successful dealing with legislators is a prime requirement. He has had long administrative experience in the Federal Government. Milton, as much as any individual, has been responsible for advising President Eisenhower in shaping policies that have proved popular with the country. At 57, he is in his prime, able to offer a wealth of practical experience and the maturity of judgment.

Of Mr. Nixon, the Milton Eisenhower supporters say this:

"Nixon has done a good job as Vice President. He has worked harder than any other Republican at the practical side of politics. But Dick is only 42 years of age. He needs seasoning and could better align himself with a strong man for the Presidency and serve another four years in the Vice Presidency. After that he still would be young and would be much more experienced."

No. 1 spot for brother? There is something of a hint that the Republican Party in 1956 could again offer an Eisenhower-Nixon ticket, but with Milton rather than Dwight Eisenhower at the head. Some individuals associated with the Citizens-for-Eisenhower movement are letting this suggestion drop.

A check with a party leader, however, has brought this response:

"Ike would never stand for it. It smacks of the 'crown prince' idea. Knowing the President as I do, I can foresee no chance that he would have anything to do with nomination of his own brother. Without active backing by the President, Milton could get no support in the party. Milton Eisenhower is very able but has given no indication of the flair that causes Dwight Eisenhower to draw the affection and confidence of the people."

It is being pointed out as well that Milton Eisenhower's past work in Government might weigh against him with Republican leaders.

Milton entered Government service under President Calvin Coolidge and also served under Presidents Herbert Hoover and Franklin D. Roosevelt. He was in the Department of Agriculture, 1928-40, as Director of Information. It was during the Roosevelt Administration, however, that he was given his most important jobs. He became Land-Use Co-ordinator by appointment of Henry Wallace, New Deal Secretary of Agriculture.

(Continued on page 24)

FOUR QUESTIONS NOW FACING IKE

Q **Should the door be closed at this time against any talk of a possible draft for a second-term nomination?**

Q **If the door is closed, should the President name a group of individuals, any of whom he would consider a good Republican candidate for President in 1956?**

Q **If no individuals are named as having the Eisenhower stamp of approval, should the President describe the type of man not to be nominated?**

Q **Or should the President say specifically which individual he feels is most entitled to the nomination?**

Helping the President decide on the answers:

Milton Eisenhower—youngest brother, long-time confidant

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—Hesse in the St. Louis Globe-Democrat

"THE UNCLEAR PICTURE"
Until the President speaks . . .

During the war, he served as Associate Director of the Office of War Information, of which Elmer Davis was Director and Archibald MacLeish, assistant director. After the war, he served on the executive board of the United Nations Economic and Social Council, an organization that has come under fire from time to time. At present, Milton Eisenhower is president of Pennsylvania State University. Earlier he was president of Kansas State College.

It is accepted among many leaders in the Republican Party that the name of Milton Eisenhower is being advanced to try to slow, if not stop, the trend within the party toward Nixon.

Accepting this view, politicians seek to discover the extent of past influence exerted by Milton upon Ike's policies and attitudes. This question is raised: If Milton Eisenhower is seeking now to stop Nixon, or at least to cool any interest that Ike may have in Nixon's political fortunes, is it a foregone conclusion that he will succeed?

White House aides, in a position to know, say this:

"Milton's influence with Ike is great. That influence, though, is not always decisive. Milton wanted the President to slap down Senator Joe McCarthy early in the controversy between the Senator and civilian officials at the Pentagon. The President refused and Milton was quite upset. Milton has sought to influence the President toward a much more liberal tariff policy but has not succeeded. There are many other instances of this kind. Ike will listen to Milton's views on the political course to be followed from now on, but will weigh that advice against his own judgment."

If Milton Eisenhower is not the man to head off a movement for Richard Nixon that will develop after the President announces his plans, the question remains whether any other individual can succeed where Milton failed.

A Humphrey-Nixon ticket? In the background, just stirring, is a boomlet that some business leaders are nourishing. This boomlet is for George M. Humphrey, Secretary of the Treasury and known as one of the dominant individuals in the Eisenhower Administration. The suggestion is made that a Humphrey-Nixon ticket would be attractive. Secretary Humphrey, however, is seven months older than Ike and has not sought elective office in the past. He would be past 70 at the end of a first term.

—Ficklen in the Dallas News

"NO TIME FOR PANIC"
. . . party hopefuls must wait

Soundings taken among leaders in the Republican Party indicate strongly at this point that Richard Nixon, Vice President, is far out front among those considered for the 1956 Republican nomination. Predictions are hard to get that any individual now being mentioned can stop Nixon after Dwight Eisenhower makes known his decision to retire.

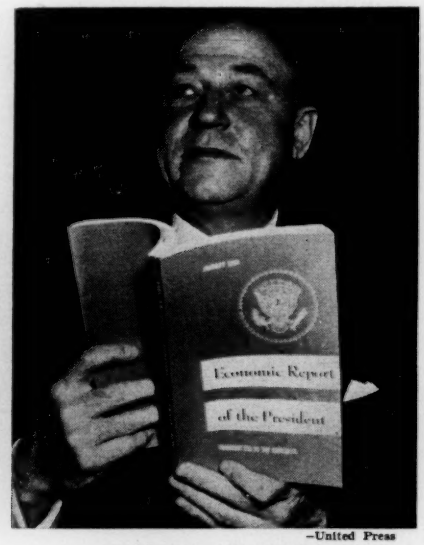
For the '56 presidential-primaries fight developing among Democrats—page 58. Opposition to Vice President Nixon in California, led by Governor Knight, is detailed on page 60.

—Harris & Ewing

HAROLD STASSEN
. . . a possibility

—Black Star

EARL WARREN
. . . a firm "no"



—United Press

GEORGE HUMPHREY
. . . a boomlet

Eisenhower Takes Back the Reins

Sherman Adams Tells How President Now Works

Presidential Assistant Sherman Adams reveals the way Mr. Eisenhower's duties are being shared.

A line of command was worked out long ago.

Aides still dispose of all but the biggest problems. So far, few really critical decisions have had to be made. But the machinery is there for handling them if they arise.

DENVER, Colo.

President Eisenhower within the last week has taken back more and more of the basic tasks that go with the Presidency. He saw a steady stream of visitors, made decisions, passed upon papers that demanded his attention and performed the most important duties of his office.

The President will not soon be able to carry out all the ceremonial duties that attach to the position of Chief Executive. He is not to be able to make major speeches. His state-of-the-union message to Congress will not be delivered in person—but, as history shows, most past Presidents have not delivered this message in person.

Aside from duties that might impose a physical strain regarded by doctors as undesirable at this stage in his recovery, Mr. Eisenhower now is able to approximate a normal official day. The big problems again are coming to him for final decision. He sees summaries of minutes of the National Security Council.

It is true, however, that many problems formerly reaching the President for decision now are dealt with by officials down the line.

How the White House system works in present surroundings is explained by Sherman Adams, chief of staff to the President.

Mr. Adams's comments. In an interview with *U. S. News & World Report*, Mr. Adams made these points:

"The President is now in touch with all questions of national importance which need his judgment and guiding hand. The President now is in shape so he is reassuming the active decision capacity which he had prior to his illness—in all respects. He is picking up the weight and thread of foreign affairs and other problems.

"The people in the Cabinet now have more responsibility, however. When they have questions to decide, they say: 'Now, what would President Eisenhower do in this situation?' Then, drawing on their long associations with the President, they would make their decisions. But in all those questions of overriding importance the President has a guiding hand.

"For an example, let's take the French situation, in Africa—the question which had arisen because of France's retirement from the United Nations Assembly [over the Algerian dispute].

"In one sense, some of the questions had been answered before the President was taken ill, but there were new questions. Mr. Dulles was asked at a news conference if he had taken up the matter with the President. He said no. His answer indicates that he and the other people in the Cabinet have taken more responsibility.

"Although the matter of policy which Secretary of State Dulles evolved was not critical, it would be called a matter of importance. He evolved it on the basis of what he believed was the way President Eisenhower would have resolved it."

Two major topics. As an example of more important matters that Mr. Eisenhower personally decides, Mr. Adams cited preparations for the Foreign Ministers' Conference in Geneva:

"Secretary Dulles briefs the President on what he thinks the United States position should be at Geneva. The President then gives his opinion. He may add to the Secretary's point of view, or perhaps subtract."

An example of a domestic matter of "authoritative interest" to the President personally is the farm problem, Mr. Adams said. No final Administration policy has been evolved on this touchy issue, he noted.

When the farm-policy decision comes, he added, the decision will be Mr. Eisenhower's decision, hospital bed or not: "What we are seeking is to carry the consideration of the farm question to a point where we can get a unity of position—to the maximum extent where all issues can be resolved. After that, the problem will be brought to the President's attention for a final policy decision."

Reports from other White House officials fill out the picture that Mr. Adams draws.

—USN&WR Photo

PRESIDENTIAL ASSISTANT SHERMAN ADAMS
The President makes the "final policy decision"

Says one: "The machinery of Government has been worked out in advance, to function in an emergency. Things are moving along very nicely."

Another member of the President's staff adds: "Some Cabinet officers are taking a little more responsibility than before. You notice this in the Cabinet and National Security Council meetings. But Ike follows decisions closely."

Mr. Eisenhower's illness actually has caused "little inconvenience," according to one aide. "Things are working out much the same way as before when the President was absent from Washington," this staff member says. "I would say that the illness came at a fortunate time, because there really aren't many big decisions to be made just now."

TRADE AT XMAS TO BREAK RECORDS

Spending Will Run Nearly 16 Billion Dollars

Consumers, bent on stuffing more goods into Christmas stockings than ever before, will give business a lift in the next two months.

Sales will break records.

It all adds up to a spectacular finish for the most prosperous year in history and an omen of good business into 1956.

Shelves are loaded. Prices are not up much, if any.

People all over the country are beginning to step up their purchases of goods.

They are starting to buy more new cars, as 1956 models go on sale. They are buying many more appliances than they did a year ago. They are spending heavily for luxuries of all kinds.

This buying spree is building up toward a Christmas shopping season in which the U. S. public will spend more money on more things than at any time in history. Shoppers will find that goods of all kinds are plentiful and that, in the next few months, inflation will not cut much into the amount of goods a $10 bill will buy.

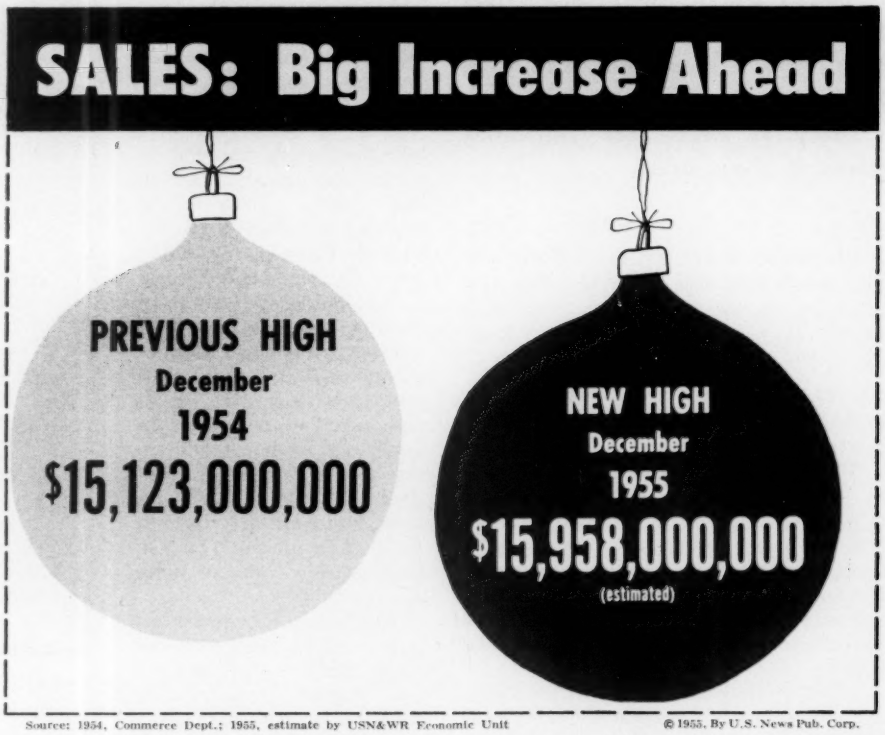
The grand total of retail business in December is estimated by the Economic Unit of *U. S. News & World Report* at nearly 16 billion dollars, an increase of 5.5 per cent compared with last year, as shown in the chart on this page. And December, 1954, was a record breaker, too.

Booming sales are a popular vote of confidence in the nation's economy, especially important at a time when businessmen and investors are a bit worried over the drop in the stock market and political uncertainties. The general public apparently is not worrying.

Government figures show people are spending a greater percentage of their incomes, saving a smaller portion, than during most of the postwar years. Fear of the future is not causing consumers to hold back for a rainy day.

Increased spending at retail means much, also, to merchants and manufacturers. It means the retail stores across the country will feel confident about placing orders for goods to keep their shelves well supplied. Factories can then look forward to these orders to keep them busy on into 1956.

This cheerful picture is reflected by department-store executives. Trends that show up in their big stores, which traditionally are associated with Christmas in the cities, often carry over to the smaller shops.



Steady Prices. Store officials say their customers in the next few weeks will find prices about where they were a year ago. That is the general level, averaging out the ups and downs in individual lines.

The merchandise that will be on display was ordered months ago, before prices took an upward tilt. Orders placed more recently reflect somewhat higher prices for appliances, toys and other metal products, but these mostly will go on sale in 1956.

Meanwhile, an Atlanta merchant says, "We are trying hard to hold off on price increases."

Many big stores have laid in supplies on the assumption that they will do a bigger business than last year. Typical is the comment of a St. Louis merchant: "The coming season looks very good. We are planning on that basis."

Federal figures show that this tendency to build up supplies is general. At last report, the department stores throughout the nation had about 5 per cent more merchandise on hand than a year earlier, and their unfilled orders with the manufacturers were 18 per cent greater than in 1954.

One Chicago store, relatively cautious, says it has not bought all it will need if sales are record-breaking. But the spokesman explains: "We don't need to stick our necks out. Whenever we want anything, we can just pick up the phone and get it."

None of the stores reports any trouble getting any kind of goods.

This factor of plentiful supplies is something of a guarantee against big increases in price. Discounts from the list prices posted by manufacturers still are common on appliances, toys and other goods for which the producers are trying to get higher prices.

What people want. Department-store reports also give a good view of

where people are stepping up their purchases most sharply.

Luxuries of all kinds are showing a sales gain that is above average. Examples of these increases, compared with 1954, are 13 per cent in silverware and clocks, 10 per cent in furs, 13 per cent in sporting goods and cameras, 10 per cent in luggage and 12 per cent in fine jewelry and watches.

By contrast, sales of costume jewelry are only 2 per cent ahead of 1954.

The bumper crop of children guarantees a booming business in toys, so long as parents are prosperous. Federal figures indicate that this Christmas Santa Claus will have to take care of an additional 1.4 million children under 10 years old.

Toy sales in department stores have been running about 7 per cent ahead of 1954, but merchants are reporting bigger gains as the holiday season approaches.

Sales of appliances and other home furnishings are being stimulated greatly by the recent boom in home construction. Families in new houses often splurge on rugs, furniture and other equipment. This year, the big stores are getting a larger share of this business by meeting the cut-rate prices quoted in so-called discount houses.

Gains of 30 per cent in sales of major household appliances, 13 per cent in small appliances and housewares, 11 per cent in rugs and carpets, and 10 per cent in furniture are reported, by the Government, for department stores.

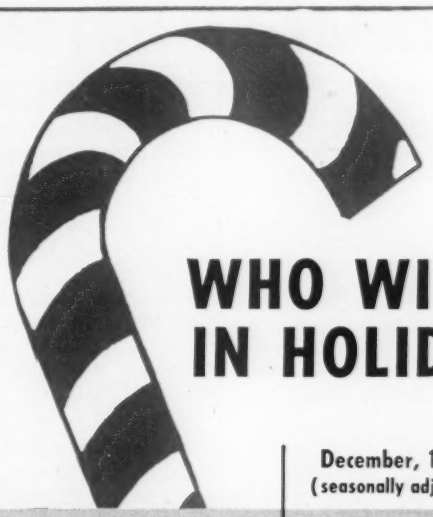
Gains widespread. Such gains apparently are widespread among the smaller shops. They, too, are looking for a bountiful Christmas, as indicated in the chart on this page.

Last Christmas, appliance stores had no reason to be especially merry; their sales were 9 per cent smaller than in 1953. This year, they are expected to make up that loss, and more.

People will spend about 15 per cent more with the appliance dealers than they did in December, 1954, according to studies made by the Economic Unit of *U. S. News & World Report*. Customers are being drawn by many innovations: new colors in kitchen equipment, new types of refrigerators and ovens that are installed at eye level to save the housewife from having to stoop, new styles in small radios, improved quality, known as "high fidelity," in larger radios and phonographs.

Christmas purchases in jewelry stores are expected to run about 9 per cent greater than last year.

Some types of clothing stores are making moderate gains, which are expected to continue through the holiday period. Women's shops, however, do not seem to be sharing fully in the boom. Their



WHO WILL GAIN IN HOLIDAY BUYING

	December, 1954 (seasonally adjusted)	December, 1955 (seasonally adjusted)
DEPARTMENT STORES	$ 904,000,000	$ 950,000,000
MAIL ORDER HOUSES	$ 107,000,000	$ 117,000,000
VARIETY STORES	$ 285,000,000	$ 285,000,000
CLOTHING SHOPS	$ 912,000,000	$ 958,000,000
JEWELERS (est.)	$ 130,000,000	$ 142,000,000
FURNITURE STORES	$ 476,000,000	$ 500,000,000
APPLIANCE DEALERS	$ 290,000,000	$ 333,000,000
AUTO DEALERS	$3,054,000,000	$3,371,000,000
FOOD STORES	$3,657,000,000	$3,754,000,000
RESTAURANTS & BARS	$1,070,000,000	$1,133,000,000
LIQUOR STORES	$ 284,000,000	$ 308,000,000
DRUG STORES	$ 413,000,000	$ 442,000,000
HARDWARE STORES	$ 241,000,000	$ 242,000,000
OTHER	$3,300,000,000	$3,423,000,000

Source: 1954, Commerce Dept.; 1955, estimate by USN&WR Economic Unit

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[continued]

TRADE AT XMAS TO BREAK RECORDS

sales this coming December are likely to increase less than 4 per cent from the 1954 level.

Department stores also report clothing departments are gaining less than others. Exceptions, where gains are cheering, are in furs, handbags, higher-priced dresses, girls' wear, boys' wear and men's hats and furnishings.

There, again, the boom seems to be favoring the salespeople who deal in luxuries, ornamentation and things for children. Parents are not in a rush to buy suits, coats or everyday dresses, it appears.

While clothing stores as a group will do somewhat better than in 1954, they are not expected to equal their record, which was set in 1952.

Christmas cheer. Merchants in a number of cities are banding together to do a bigger job of decorating and of enticing crowds. Detroit, for instance, is planning a spectacular, simultaneous lighting up on the evening of November 14.

This city also claims it will have "the biggest mailbox in the world" to receive children's letters to Santa Claus. The old gentleman will appear in person each day to collect his mail.

Apparently the holiday will be celebrated with plenty of merrymaking. Restaurants and bars are expected to show a gain of nearly 6 per cent, compared with December, 1954. Liquor stores, already enjoying a pickup, are expected to top last year's sales by 9 per cent.

Travel is increasing. Gas stations are doing a record business and probably will take in about 8 per cent more money than they did last December.

The auto boom played a major role in lifting retail volume to a record level last year. This year, it will not be so important.

Normally, sales of cars decline from September to December. In 1954 they increased by 11 per cent in that period. Manufacturers brought out their new models earlier, and the big sales spree was on.

This year, auto dealers are expected to show a gain in sales during the last part of the year, but not as big a gain as in 1954. Their sales already are so far above the 1954 level that economists and some executives in the industry are wondering how long the boom can last. Something of a dip in the business seems possible during 1956.

There is little doubt, however, that the auto boom will go on through the rest of 1955. Figures shown in the chart on holiday buying indicate sales of new and used cars will be 10 per cent greater than they were in December, 1954.

Where sales don't gain. Only a few types of stores seem to be getting no increase in sales this year.

Hardware is one of the groups, and such stores are well off even if they are not setting a new record. Homeowners and do-it-yourself enthusiasts are spending about as much in hardware stores as they did in 1954, the best Christmas so far.

Variety stores, commonly known as "five and dimes," are in a similar situation. Their 1954 record probably will be equaled but not exceeded.

Smaller food shops—delicatessens, ice cream and candy stores, fruiterers and dietary stores—are not expected to do much, if any, more business than they did last year. And 1954 was not a record year for them. Their business has been shrinking, partly because supermarkets are offering more of the specialty foods in competition with them.

Still, the weak lines are notably few.

Record sales will be taken to mean that consumers are not worried about the future, not upset about prices, not feeling overburdened with debt. So long as people are so carefree and have rising incomes, the market for goods is sure to grow. The rapid increase in population sees to that.

Economists are quick to point out that consumer spending alone does not insure that the boom will continue indefinitely. Jobs and incomes also are affected by the amount of money businessmen spend on inventories, plant and equipment; this business investment is subject to change. What's more, heavy spending on one type of product, such as automobiles, can end in a temporary dip, until appetite is revived by innovations. Tighter credit can slow down buying of homes and thus cut into the demand for furnishings.

A record level of consumer spending, however, removes one major worry of businessmen. Thus the coming Christmas season is to be a time of optimism.

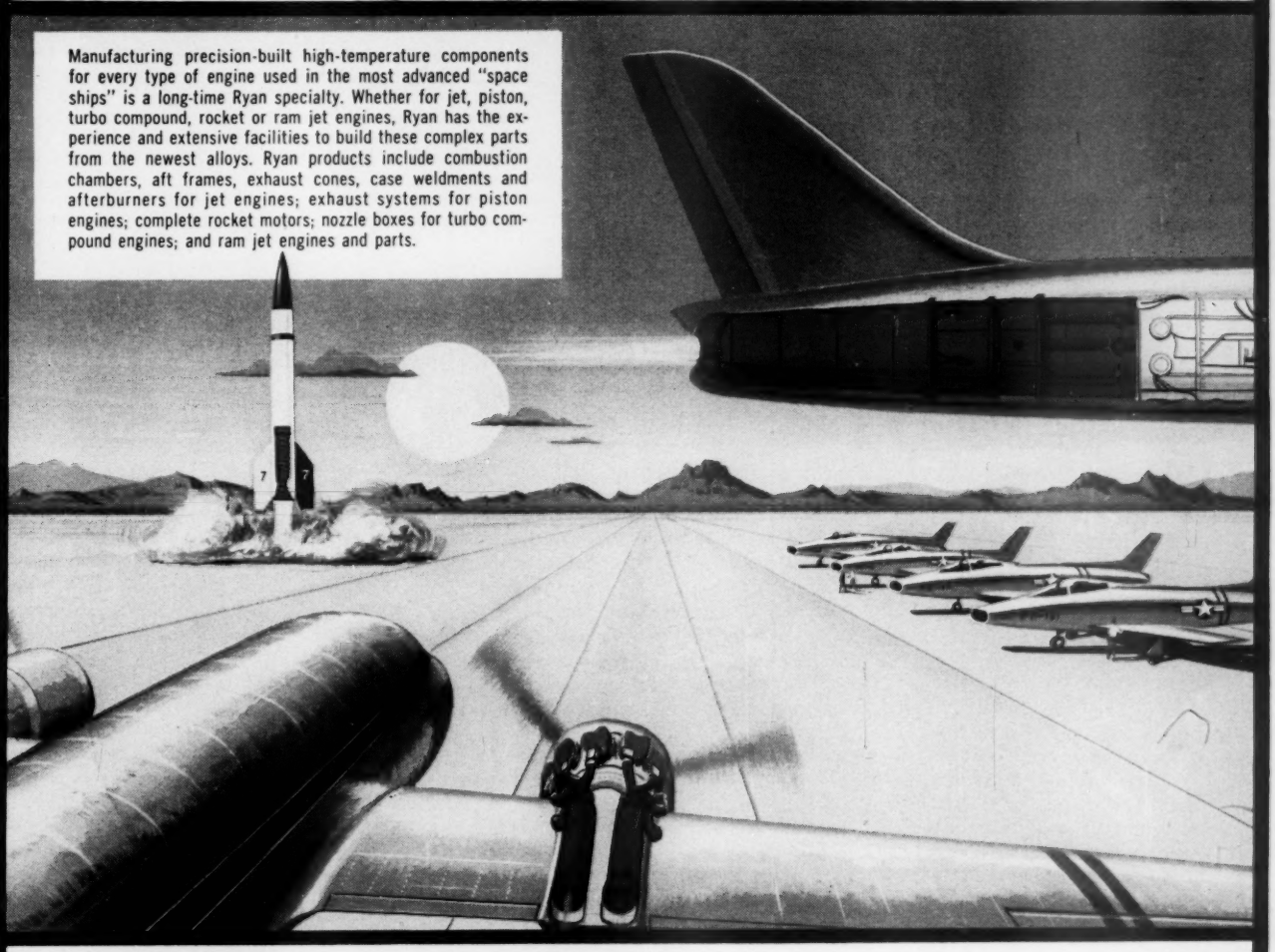
—USN&WR Photo

IN A SPENDING MOOD

. . . holiday buyers will keep factories busy into 1956

HOT PARTS for "SPACE SHIPS"

Manufacturing precision-built high-temperature components for every type of engine used in the most advanced "space ships" is a long-time Ryan specialty. Whether for jet, piston, turbo compound, rocket or ram jet engines, Ryan has the experience and extensive facilities to build these complex parts from the newest alloys. Ryan products include combustion chambers, aft frames, exhaust cones, case weldments and afterburners for jet engines; exhaust systems for piston engines; complete rocket motors; nozzle boxes for turbo compound engines; and ram jet engines and parts.



Another Example of How

RYAN BUILDS BETTER

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For 32 years Ryan has been in the forefront of aeronautical progress. It is uniquely equipped to solve the challenging research, engineering and production tasks associated with building, for America, the world's finest aircraft.

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METALLURGICAL ENGINEERING	WEAPONS SYSTEMS		ROCKET MOTORS & RAM JETS	AIRCRAFT EXHAUST & DUCTING SYSTEMS

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*Fire can't burn any of the records in this office

...ALL ARE PROTECTED BY UNDERWRITERS' LABELS

EACH DRAWER A SAFE! *In this modern, good looking Shaw-Walker fireproof equipment, fire walls stand between your irreplaceable records and possible destruction. Fire-File, with corner cut away shows: Thick, steel-walled steel-reinforced fire insulation on all six sides of each drawer. Vault-like interlocking drawer front.*

YOU are looking here at no ordinary office scene. The difference is a new means of record keeping, now revolutionizing office methods—fire protection for all records *right where they are being used.*

This modern "*time-engineered*" Shaw-Walker equipment not only gives right-on-the-job fire protection during working hours when most fires (55%) occur, it pays for itself by saving time and space. All of the savings from this efficiency go directly into profits.

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THE REAL STORY OF MacARTHUR AND THE RUSSIANS

No Part in Yalta . . . Disagreement Over Request for Red Aid

Now, after months of dispute, the record is made public, and some questions people have been asking about Yalta are answered.

Did General MacArthur urge concessions to bring Russia into the Pacific war?

The answer you get from the official record is: No. He was not even consulted.

What would he have said, if asked? There, dispute continues. Here is the record—and what General MacArthur says about it.

These are the things that military records, newly published, now make clear about the Yalta deal to bring Russia into the Pacific war:

• General of the Army Douglas MacArthur was not consulted in advance of the Yalta Conference on the question of whether Russia should be offered inducements to enter the war against Japan. The records show no recommendations by General MacArthur on this subject between 1941 and the time of the Yalta Conference in February of 1945.

• General MacArthur did, however, urge Russian entry in the early stage of the war, immediately after Pearl Harbor.

• There is a record that General MacArthur was quoted as having said on Feb. 13, 1945, that he considered Russian participation essential to an invasion of Japan and realized that Russia would achieve territorial gains from that participation. This was two days after the Yalta Agreement with Russia had been signed, but before General MacArthur had been informed of that Agreement.

• The U. S. Chiefs of Staff, from the time of Pearl Harbor until after Yalta, wanted Russia's aid against Japan.

• By the time of the Yalta Conference, however, the Chiefs of Staff no longer regarded Russian aid as essential for the defeat of Japan, but merely as desirable.

The military records that reveal these facts are official wartime documents of the War and Navy departments, long kept secret, that were made public last week by the Department of Defense.

MacArthur vs. the record. Reason why the documents were made public is

General MacArthur Says:
The Record "Fully Confirms That I Was Never Consulted"

Following is full text of a statement issued by Gen. Douglas MacArthur on Oct. 20, 1955, after publication of the Defense Department record:

The report of the Department of Defense fully confirms that I was never consulted concerning the Yalta Conference, that I exercised no influence whatsoever thereon and knew nothing about its secret agreements until after they had been consummated and communicated to me.

The report furthermore clearly demonstrates that the basis of such agreements lay in decisions taken by the State Department on political policy and the Joint Chiefs of Staff on military policy long before Yalta.

Of these I was not informed. However, once such decisions had been taken and communicated to me following Yalta, they became binding upon me as upon any other theater commander. All future discussions thereon with War Department representatives necessarily became limited to consideration of their ultimate application to the counduct of the war. The attempt to interpret any statements I may have made in the course of such post-Yalta views and convictions is wholly unwarranted.

The issue involved at the origin of this controversy was not whether Russia should have been brought into the Pacific war—this should have clearly been done at the very beginning—but whether we should have made vital territorial concessions at the expense of Chinese sovereignty to induce Russia to come in at the end. On Dec. 13, 1941, I urged that Russia attack immediately from the north. This would have saved countless lives, billions of dollars and spared the Philippines, Malaya, the Dutch East Indies, New Guinea and many Pacific islands.

There is not the slightest hint of documentation over my signature in the entire Defense Department report which even remotely suggests my support of these territorial concessions which so adversely altered the course of future events in Asia; or that after my initial recommendation in 1941 I advocated prior to Yalta that Russia enter the Pacific war. To hold the contrary is to prevaricate the truth and the record.

I repeat had my views been requested concerning the secret agreements bearing upon Russia's entry into the Pacific war I would have opposed them as fantastic.

the dispute that had grown up as to whether General MacArthur played any part in the Yalta decisions which have been so widely criticized as making unnecessary concessions to Russia. The history of this dispute appears in the chart on pages 32 and 33.

General MacArthur maintained: "Neither directly nor indirectly did I have the slightest connection with the Yalta Conference. My views on the advisability of Soviet Russia entering the war at that late date were never solicited."

On this point, the official record bears out General MacArthur.

The General also maintained: "Had my views been requested with reference to Yalta I would most emphatically have recommended against bringing the Soviet into the Pacific war at that late date. To have made vital concessions for such a purpose would have seemed to me fantastic."

On this point, the official record is less clear. A Feb. 13, 1945, memorandum is the crucial one. This was a letter by Col. Paul L. Freeman, Jr., to the Army Chief of Staff, General of the Army George C. Marshall. In this letter, described as a "Summary of an hour and a half conversation with General MacArthur" in the Philippines, Colonel Freeman wrote:

"He [MacArthur] emphatically stated that we must not invade Japan proper unless the Russian Army is previously committed to action in Manchuria. He said that this was essential, and that it should be done without the three months' delay upon the conclusion of the defeat of Germany as intimated by Marshal Stalin to the President.

"He said that it was only necessary for action to commence in Manchuria to contain that force of Japanese in order to make possible our invasion of Japan and the rapid conclusion of the war.

"He understands Russia's aims; that

GENERAL MacARTHUR

How the Dispute Developed —And What the Record Shows

March 22, 1955—

In Senate debate over publication of the Yalta papers, Senator Herbert H. Lehman (Dem.), of New York, said:

"General MacArthur strongly favored and urgently recommended that Soviet Russia be involved in the war against Japan. It was estimated that an invasion of Japan proper would involve more than a million American casualties. To save American lives, it was deemed essential to get Russia into the war."

★ ★ ★

March 23, 1955—

General of the Army Douglas MacArthur said:

"Neither directly nor indirectly did I have the slightest connection with the Yalta Conference. My views on the advisability of Soviet Russia entering the war at that late date were never solicited. . . .

"The imminent collapse of Japan was clearly apparent several months before Yalta. . . .

• • •

"Had my views been requested with reference to Yalta I would most emphatically have recommended against bringing the Soviet into the Pacific war at that late date. To have made vital concessions for such a purpose would have seemed to me fantastic."

★ ★ ★

March 25, 1955—

The *Washington Post and Times Herald* brought the "Forrestal diaries" into the dispute by citing an entry dated Feb. 28, 1945, in which the late Secretary of Defense James Forrestal purportedly described a conversation he had had that day with General MacArthur in the Philippines. The diary entry said:

"He [MacArthur] felt that we should secure the commitment of the Russians to active and vigorous prosecution against the Japanese in Manchukuo of such proportions as to pin down a very large part of the Japanese Army."

★ ★ ★

March 31, 1955—

Maj. Gen. Courtney Whitney, aide to General MacArthur, wrote the *Washington Post and Times Herald* challenging the authenticity of the "Forrestal diaries"

they would want all of Manchuria, Korea and possibly part of North China. This seizure of territory was inevitable; but the United States must insist that Russia pay her way by invading Manchuria at the earliest possible date after the defeat of Germany."

The full text of Colonel Freeman's letter appears in the extracts from the Defense Department records that begin on page 68.

Conflict of views. This conversation, occurring before General MacArthur had learned of the Yalta Agreement, is now being cited by some as proof that the General, if he had been consulted at Yalta, would have favored the deal that was made.

By others, however, it is pointed out that the letter does not show what General MacArthur would have said if he had known of the big concessions being given the Russians as the price for their attack on Japan. These concessions are listed in the chart on page 36.

Rather, it is suggested, the Freeman report indicates that General MacArthur realized it was "inevitable" that Russia would seize some territory in Asia and was merely urging that the U. S. should make sure that Russia earned its acquisitions.

General MacArthur himself, in a statement issued one day after the Defense Department record was made public, said: "I repeat had my views been requested concerning the secret agreements bearing upon Russia's entry into the Pacific war I would have opposed them as fantastic."

The text of General MacArthur's statement appears on page 31.

MacArthur on Yalta. General MacArthur, according to the official record, was first informed of the Yalta pact on February 25 by Brig. Gen. George A. Lincoln, who was dispatched from Yalta on February 10.

General Lincoln reported his conversation with General MacArthur on February 25 as follows:

"Gen. MacArthur stated that he was not informed of the Yalta Conference and that he had no part in it. He stated that he had always been in favor of Russian participation in the war against Japan, but that he had made no other recommendation from that time until after the Yalta deal had been made. He stated that after the Yalta Agreement was reached, he expressed the opinion that a Russian attack in Manchuria was essential to a U. S. invasion of Japan, and that Russia should be brought into the war quickly to make sure that she 'pays her way.'"

General Lincoln reported that General MacArthur expressed the opinion that Russian entry into the war would be helpful, but not necessary, to defeat Japan.

General Whitney related that he was present at Mr. Forrestal's visit with General MacArthur, and said:

"Neither the decisions at Yalta nor the entry of Soviet Russia into the war against Japan were even alluded to."

★ ★ ★

April 3, 1955—

General MacArthur issued a statement saying, in part:

"As I have previously stated, I had absolutely no connection, directly or indirectly, with the Yalta Conference. Neither I nor any member of my staff was present and I was not even informed of its pendency. My views upon the need for Soviet Russia's entry into the war against Japan were never requested and it was only months later that I heard of the territorial and other concessions which had been used as an inducement.

"Military advice given the heads of state at Yalta was given by the Joint Chiefs of Staff of the respective governments, who were present and acted solely upon their own responsibility. The estimate of these Chiefs of Staff that the war with Japan would last for 18 months after the Soviet entered was at complete variance with my own publicly announced estimate of Japan's growing weakness.

"On Sept. 21, 1944, I reported that the campaign was 'entering its decisive phase' and that Japan had 'neither the imagination nor the foresighted ability to continue total war' and that 'defeat now stares her [Japan] in the face.' "

★ ★ ★

April 4, 1955—

Louis Morton, chief of the Pacific section of the Army's Office of Military History, writing in *The Reporter* magazine, said:

"General MacArthur was thoroughly in favor of the plan [to obtain Russian aid] and stated emphatically at the time of Yalta to more than one visitor that American forces should not invade Japan until three months after the Red Army had attacked in Manchuria. He understood, too, that Stalin would ask for concessions but was perfectly willing to make such concessions."

★ ★ ★

April 5, 1955—

General Whitney, chief aide to General MacArthur, issued a statement challenging Louis Morton's statements about General MacArthur's attitude on Soviet entry into the Pacific war.

★ ★ ★

April 8, 1955—

The Department of Defense announced that it was "surveying its files to collect papers pertinent to the question of Russia's entry into the Pacific war" and "the information relevant to the subject will be made public."

★ ★ ★

Oct. 19, 1955—

The Defense Department made public official wartime documents which showed that:

General MacArthur was not consulted in advance about the Yalta Conference and took no personal part in it.

The General, immediately after Pearl Harbor in 1941, urged Russian entry into the war against Japan, but made no other recommendation from that time until after the Yalta deal had been made.

After the Yalta Agreement was reached, General MacArthur expressed the opinion that a Russian attack in Manchuria was essential to a U. S. invasion of Japan, and urged that Russia should be brought into the war quickly to make sure that she "pays her way."

★ ★ ★

Oct. 20, 1955—

General MacArthur, commenting on the Defense Department report, said it "fully confirms that I was never consulted concerning the Yalta Conference" and he repeated that, "had my views been requested concerning the secret agreements bearing upon Russia's entry into the Pacific war I would have opposed them as fantastic."

U. S. WAS CLOSING IN ON JAPAN WHEN THE YALTA DEAL WAS MADE
MANCHURIA
Vladivostok
Pacific Ocean
JAPAN
KOREA
Tokyo
TOKYO was under repeated air attack
CHINA
U. S. PLANES had established supremacy in the air
OKINAWA
ATTACK on Iwo Jima was beginning
IWO JIMA
JAPAN'S supply line at sea had been cut
U. S. NAVY controlled Pacific, Japan's fleet had been defeated
SAIPAN
TINIAN
GUAM
B-29s based on Saipan, Tinian and Guam were bombing Japan
PHILIPPINES
MacARTHUR was reconquering Philippines
Japan, however, still had big armies at home and on Asiatic mainland.
BIG QUESTION WAS: Could Japanese Army be defeated quickly without Russia's aid?

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sation with General MacArthur as follows:

"Concerning over-all plan General MacArthur considers it essential that maximum number of Jap divisions be engaged and pinned down on Asiatic mainland, before United States forces strike Japan proper."

After returning to Washington, General Lincoln supplemented this report with a memorandum dated March 8, which included the following:

"As to Russia, General MacArthur pointed out that politically they want a warm-water port which would be Port Arthur. He considered that it would be impracticable to deny them such a port because of their great military power. Therefore, it was only right they should share the cost in blood in defeating Japan.

"From the military standpoint we should make every effort to get Russia into the Japanese war before we go into Japan, otherwise we will take the impact of the Jap divisions and reap the losses, while the Russians in due time advance into an area free of major resistance. General MacArthur stated he considered the President should start putting pressure on the Russians now."

This part of the official record also is being given varying interpretations. One interpretation is that General MacArthur approved the Yalta arrangement.

The other view is that, the deal having been made, General MacArthur was anxious to make sure that the U. S. obtained what it had paid for in the way of Russian military assistance.

Again the idea is raised by General MacArthur that "it would be impracticable to deny" Russia certain acquisitions as a result of Allied victory. And General MacArthur is seen by some as urging only that, if Russia were going to enter the war, she should do so quickly.

As it turned out, Russia did not attack Japan until August 9, after the first atomic bomb, dropped August 6, had brought Japan to her knees.

Before and after Yalta. A later entry in the Defense Department's record shows General Marshall, on June 18, quoting General MacArthur:

"The hazard and loss [in invading Japan] will be greatly lessened if an attack is launched from Siberia sufficiently ahead of our target date to commit the enemy to major combat."

General MacArthur, in his comment on the Defense Department's record, insisted strongly that no comments he made after the Yalta Agreement had been reached should be interpreted "as reflecting my pre-Yalta views."

Once the Yalta decisions had been taken, the General said, "they became binding upon me as upon any other theater commander," and he added: "All future discussions thereon with War Department representatives necessarily became limited to consideration of their ultimate application to the conduct of the war."

In the three years preceding Yalta, the record shows only one occasion upon which General MacArthur urged that Russia be brought into the Pacific war against Japan.

On Dec. 10, 1941, General MacArthur messaged General Marshall: "Entry of Russia is enemy greatest fear. Most favorable opportunity now exists and immediate attack on Japan from north [by Russia] would not only inflict heavy punishment but would at once relieve pressure from objectives of Jap drive to southward."

Joint Chiefs on Russia. From the time of the 1941 message until Yalta, according to the record, it was the Chiefs of Staff who carried on the campaign to bring Russia into action against Japan. They urged this repeatedly throughout 1942 and 1943.

By 1944, however, the record shows, even the Chiefs of Staff were beginning to cool off on the idea. Whereas Russia's participation had previously been described as "essential," it came to be regarded only as "desirable."

On July 11, 1944, the Joint Chiefs of Staff drew up a revised war plan which, according to the Defense Department record, was "not contingent upon the active participation of Russia in the war."

In November, 1944, the Joint Chiefs of Staff said: "Throughout current war planning there is implicit conviction that the defeat of Japan may be accomplished without Russian participation in the war."

But the same analysis said: "However there is also general recognition of the desirability, from our standpoint, of Russia's early entry into the war in order to add to the weight of force which may be applied to obtaining the earliest possible Japanese defeat."

(Continued on page 36)

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[continued]

MacARTHUR AND THE RUSSIANS

Then, in their final military survey prior to Yalta, made Jan. 24, 1945, the Joint Chiefs of Staff again said: "We desire **Russian entry at the earliest** possible date consistent with her ability to engage in offensive operations . . ."

In all these recommendations there is nothing, in the record, attributed to General MacArthur. The Pacific commander was never asked for his views on Russian aid in the war that he was directing.

MacArthur's plans. Two months after Yalta, General MacArthur is revealed by the record as outlining a plan for the final conquest of Japan in which Russian participation was not even mentioned. On April 20, he recommended an invasion of Japan's home islands, and said: "I am of the opinion that the ground, naval, air and logistic resources in the Pacific are adequate to carry out" that course.

By this time, the record reveals, the Chiefs of Staff, and U. S. political leaders as well, were having second thoughts about the desirability of Soviet participation in the conquest of Japan.

Japan was being driven back faster than expected. Japan's surface fleet had been swept from the Pacific, Japan's supply lines by sea to Southeast Asia had been cut, and the Japanese homeland had been brought under constant air attack from nearby islands.

More and more it was becoming clear to U. S. military leaders that Japan could be conquered without any assistance from Russia.

On April 24, the Chiefs of Staff said: ". . . Early Russian entry into the war against Japan . . . is no longer necessary to make invasion feasible."

Retreat from Yalta? On May 12, Acting Secretary of State Joseph C. Grew raised the question of whether the Yalta decision should be reconsidered. He suggested that Soviet agreement "to certain desirable political objectives" should be obtained before Russia's entry.

The suggestion, however, was regarded as coming too late. The War Department on May 21 decided: "The concessions to Russia on Far Eastern matters which were made at Yalta are generally matters which are within the military power of Russia to obtain regardless of U. S. military action short of war."

If it would help, the War Department said, it would favor reconsideration, "but it is not believed that much good will come of a rediscussion at this time."

So the Yalta Agreement stood. Russia fought a brief and needless campaign against Japan and collected her high price for the aid that came too late.

Now the record shows that this high price was not General MacArthur's doing. The only dispute remaining concerns this question: What would he have done, if it had been put up to him?

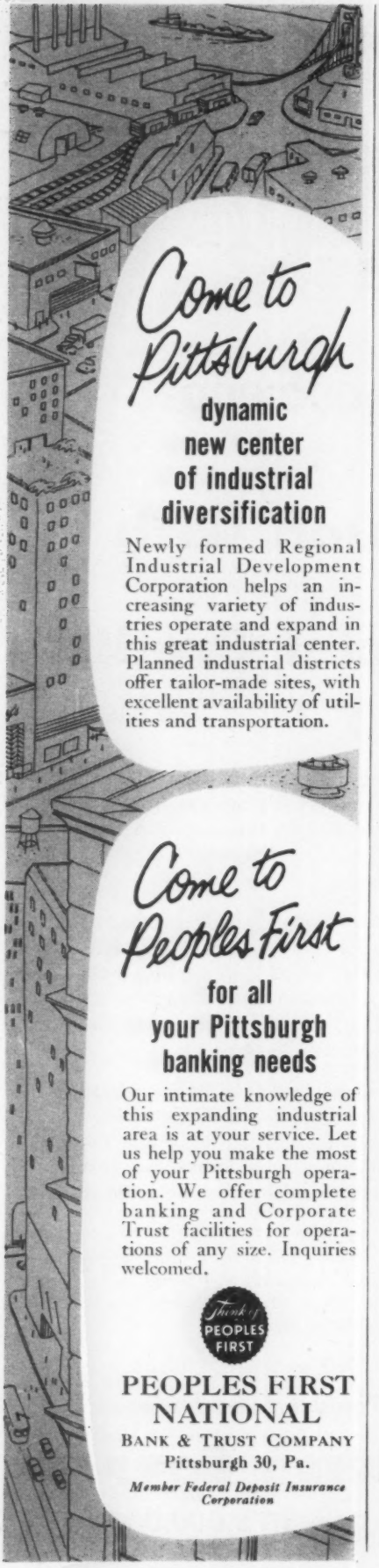
For an inside view of how the Joint Chiefs of Staff had planned an invasion of Japan, see page 38. Extracts from the Defense Department's report on the Yalta Agreement start on page 68.

The Price Paid at Yalta For Russia to Enter Pacific War

1. **Russia was given a free hand in Outer Mongolia.**
2. **The southern part of Sakhalin and all adjacent islands were returned to the Soviet Union.**
3. **The Kurile Islands were handed over to the Soviet Union.**
4. **Russia was permitted to lease Port Arthur, Manchuria, as a naval base.**
5. **The Manchurian commercial port of Dairen was internationalized, with "the pre-eminent interests of the Soviet Union in this port being safeguarded."**
6. **Russia was given control over the Chinese Eastern Railroad and the South Manchuria Railroad.**

The dispute:

Did General MacArthur favor paying such a price?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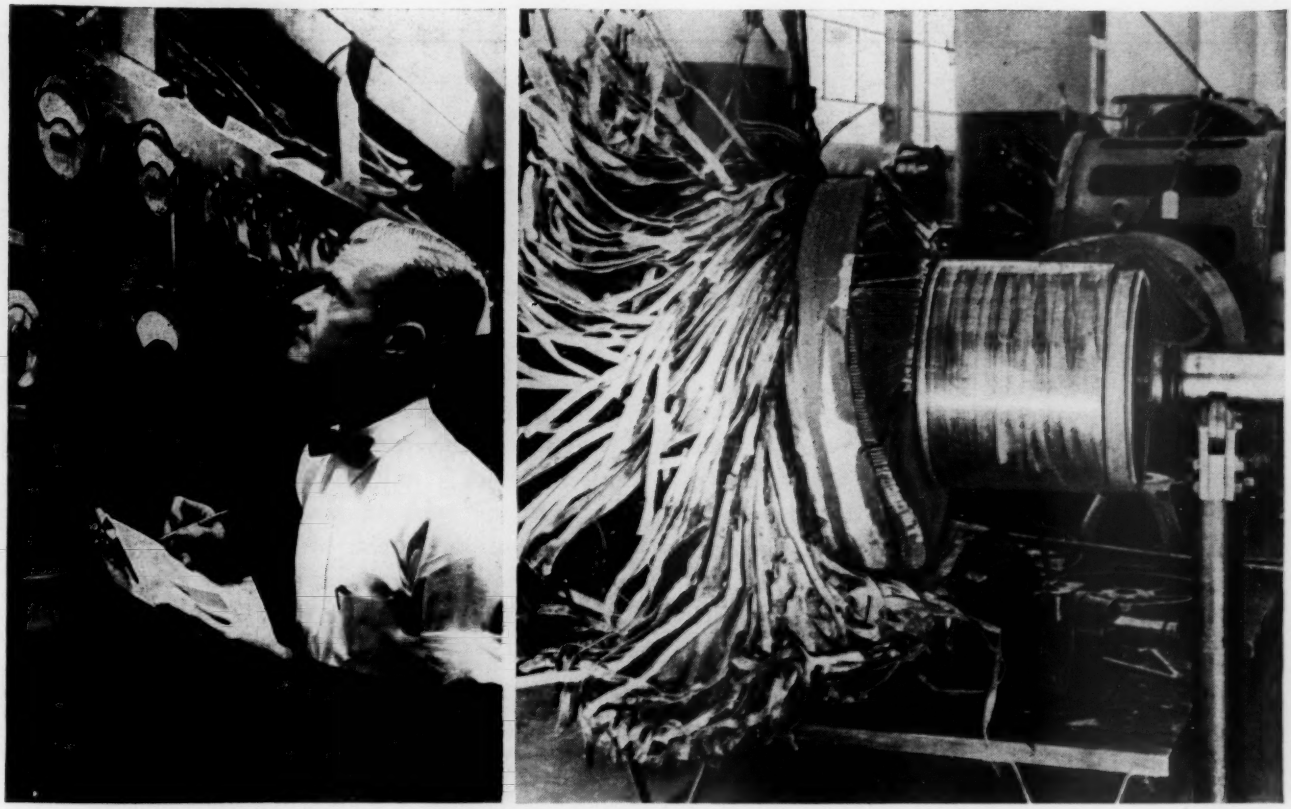

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AN INVASION JOB THE GI's WERE SPARED

Japan's Surrender Cut Short Plans to Land 1.5 Million Men

This is the story of a vast invasion of Japan that millions of Americans were to face in 1945, if Pacific war had not ended early.

It is told from official documents now brought to light for the first time by the Defense Department. In them, you find—

D Day was set for Nov. 1, 1945, with final victory not expected until mid-1946. Casualties were expected to be very heavy, perhaps as much as 1 million dead or hurt.

Invasion was to be a two-phase attack, first against Kyushu, then Honshu.

But no help was expected or needed from the Russians, in plans finally approved.

In April, 1945, as war in Europe was ending, America's top military planners were charting a massive land attack on Japan that they thought might bring victory in the Pacific by summer of 1946.

This invasion was being planned on the assumption that Russia would not be involved. It called for a major landing on the Japanese island of Kyushu in November, 1945, followed by an invasion of the main island of Honshu. In the invasion, Gen. Douglas MacArthur was to command land forces, but have no unified command. The Joint Chiefs of Staff planned to direct the operation themselves.

There were to be 1.5 million Americans participating directly in the invasion, millions more in supporting forces. Casualties were expected to be so heavy that 36,000 more hospital beds were to be added to facilities already in the Pacific area in 1945.

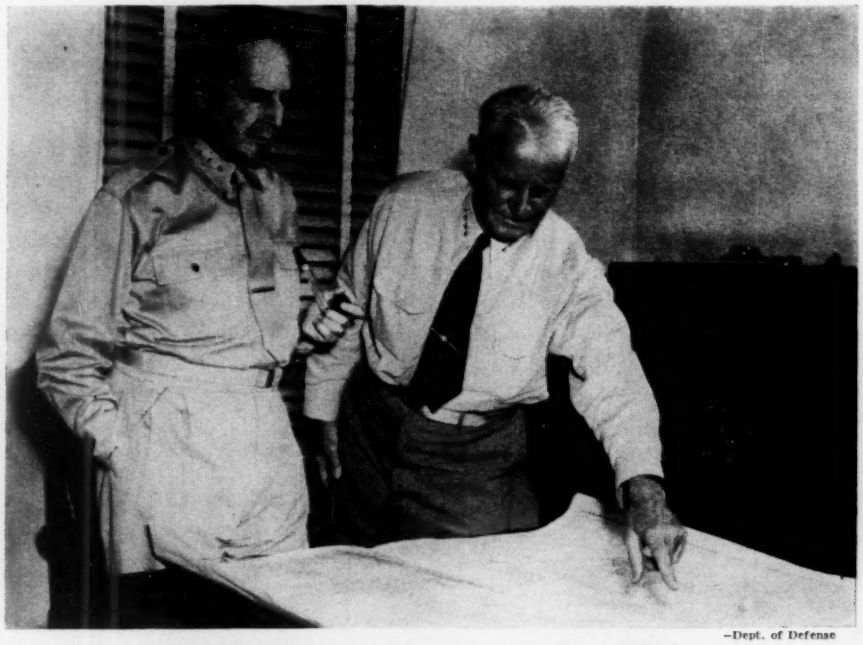
Then, on August 6, the atom bomb was dropped on Hiroshima. Eight days later the war ended. V-J Day arrived almost a year early.

For the first time, the story of what American troops then in the Pacific and those coming from Europe were to face, if invasion plans had been carried through, is told now in official records. It comes to light in documents giving decisions of the Joint Chiefs of Staff, then reviewing Pacific war plans, and reports from field commanders in the Pacific, whose views were being sought. Plans then drawn up followed closely the recommendations of those field commanders.

On April 3 the Joint Chiefs, "after long consideration," made the first major decision—who would command the final phases of the Pacific war.

Strategic direction. General MacArthur, at that time, was named "Commander in Chief, U. S. Army Forces in the Pacific," and all Army resources in this theater of war were placed under his command. Admiral Chester Nimitz was assigned command of all naval forces in the Pacific theater. But the Joint Chiefs of Staff were to exercise "strategic direction" over the theater, "normally charging General MacArthur with responsibility for land campaigns and Admiral Nimitz for naval campaigns." Command of the strategic-bombing effort was retained by Gen. Henry H. Arnold, "under the direct control of the Joint Chiefs."

On April 12 Gen. George C. Marshall, Army Chief of Staff, cabled General MacArthur: "Within the next few days it may be necessary for me to discuss with the other Chiefs of Staff, the question of our basic strategy in the Western Pacific. There is an honest difference of opinion. . . ." He went on to explain that over-all plans for the final phase turned on the question of whether or not an invasion of



—Dept. of Defense

GENERAL MacARTHUR AND ADMIRAL NIMITZ
They were to command the forces invading Japan

the Japanese home islands was actually necessary, and requested General MacArthur's views on the best plan to use.

In his reply on April 20, General MacArthur gave this summary on the problem of the war's final phase:

"Analysis of strategy in Western Pacific indicates that there are three general courses of action open to us:

"Course 1. Encircle Japan by further expansion to the westward, deploying maximum air forces preparatory to attacks on Kyushu and Honshu in succession or directly against Honshu.

"Course 2. Encircle Japan by further expansion to the westward, with a view to its complete isolation and endeavor to bomb Japan into submission without effecting landings in homeland.

"Course 3. Attack Kyushu and install air forces to cover a decisive assault on Honshu."

MacArthur favored attack. The MacArthur recommendation was to follow Course 3, an invasion of the Japanese mainland. Landings elsewhere, he thought, would result in greater loss of life. And attempts to bomb Japan into submission "would prolong war indefinitely."

The Pacific field commander went on to say: "I am of the opinion that the ground, naval, air and logistics resources in the Pacific are adequate to carry out course three [an invasion of Japan]. The Japanese fleet has been reduced to practical impotency. The Japanese Air Force has been reduced to a line of action which involves un-co-ordinated, suicidal attacks against our forces, employing all types of planes, including trainers. Its attrition is heavy and its power for sustained action is diminishing rapidly. These conditions will be accentuated after the establishment of our air forces in the Ryukyus. With the increase in the tempo of VLR [Very Long Range] attacks the enemy's ability to provide replacement planes will diminish, and the Japanese potentiality will decline at an increasing rate . . ."

General MacArthur concluded that, "from the standpoint of weather, it appears that November would be the best month to initiate the operation."

The Joint Chiefs also requested Admiral Nimitz's comments. He, too, approved the plan for the invasion of Kyushu and recommended Nov. 1, 1945, as the target date.

The top sea commander in the Pacific, in his April reply, stated: ". . . I am in agreement with the invasion of Kyushu at the earliest date as the way to achieve decisive victory if the requisite conditions are met on which my comments follow—

"Control of the sea. This has been virtually accomplished by the destruction of the greater part of the Japanese fleet.

(Continued on page 40)

THE JOINT CHIEFS' ORIGINAL PLAN TO INVADE JAPAN

PHASE I: "Operation Olympic"

Plan: **To invade island of Kyushu**
D-Day: **Nov. 1, 1945**
Cost: **Up to 250,000 American casualties**

PHASE II: "Operation Coronet"

Plan: **To invade Honshu from Kyushu**
D-Day: **Early spring, 1946**
Cost: **No estimate**

FINAL VICTORY: June, 1946

TO CARRY OUT THIS PLAN—

Forces Involved:
36 U.S. divisions, 1.5 million men

Top Army Commander:
Gen. Douglas MacArthur

Top Sea Commander:
Adm. Chester W. Nimitz

Top Air Commander:
Gen. Henry H. Arnold

Strategic Direction:
Joint Chiefs of Staff

Expected Opposition:
2 million Japanese troops

Source: Official military documents released by Defense Dept.

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(Advertisement)

M. B. G.

— or,

is it really more blessed

to give than to receive?

IT IS NOT entirely fair to write a mystery story without a final solution. But we have no choice here. In the following story the moral is more important than the mystery.

We were in a select liquor store recently. Ahead of us was a customer who asked for two bottles of 12 year old Chivas Regal Scotch Whisky. The clerk was sorry; he had only one bottle left. The man was distressed. "I really need two," he said. "One is for a gift." But he took the lone bottle of Chivas Regal, and with it a bottle of less exalted whisky.

The mystery of course, is who got the Chivas Regal? In our mind's eye we saw that man wrestling with his conscience over the principle that it is more blessed to give than to receive, and we don't know how the struggle came out.

If you should ever (to our regret) find yourself facing a similar dilemma, permit us to recall some hints printed in this column more than a year ago.

To give or not to give Chivas Regal depends on the circumstances. If the recipient is someone like the president of your company, or your best customer, or your prospective father-in-law, you have no choice. Give him the Chivas Regal, even if you deprive yourself.

In less important circumstances, we fear you must do your own wrestling with the problem.

We *hope* that you will not often be forced to such a painful choice. But alas, the demand for Chivas Regal still exceeds the supply. We cannot mass-produce a whisky of this mellow magnificence, but believe us, we are doing everything in our power to distribute it equitably. If your dealer or barman should be temporarily out of it, please accept his (and our) regrets, and give him a second call!

•

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[*continued*]

AN INVASION GI's WERE SPARED

"Control of the air. The fleet and the shore-based air forces are rapidly destroying the enemy air force in being and the Twentieth Air Force is effectually destroying the enemy ability to replace his losses. . . . By concentrating resources on the development of Okinawa as a naval and air base, we can improve our naval and air position and accelerate the deterioration of the enemy air force.

"Combat troops. This is primarily an Army question. An amphibious corps of three Marine divisions can be ready.

"Weather. The risk of typhoons has been accepted in other operations and is not controlling. However, the assault must take place early enough to leave time for unloading troops and supplies over the beaches before the heavy winter surf commences. November 1 is the last target date recommended."

Forecast: heavy casualties. Admiral Nimitz recommended first taking "at least one position between Okinawa and Kyushu," probably Kikai Jima. He then injected a grim warning about probable casualties:

"We must be prepared to accept heavy casualties whenever we invade Japan. Wherever our best troops have met the Japanese Army on the defensive in prepared defensive positions, it has been a competent fighting force. Our previous successes against ill-fed and poorly supplied units cut down by our overpowering naval and air action should not be used as the sole basis of estimating the type of resistance we will meet in the Japanese homeland, where the enemy lines of communication will be short and enemy supplies more adequate. However, I am confident of the ability of our soldiers and Marines eventually to defeat the Japanese Army anywhere."

On April 24, on the basis of these recommendations, the over-all Pacific strategy was reviewed for the Joint Chiefs of Staff. It was pointed out then that the early invasion of the Japanese home islands represented "the most suitable strategy to accomplish unconditional surrender."

Soviet entry into the war, moreover, was no longer considered necessary to make this invasion feasible, as the JCS saw it at that time.

Strategy of the proposed invasion, as approved then by the Joint Chiefs, is shown for you in the chart on page 39.

The top-level decision is explained by JCS records in this way: "A campaign of invasion strikes directly at the heart of the empire and expectation would be that if the threat in itself did not cause capitulation, the continuation of the cam-

HOW MANY CASUALTIES?

Amphibious assaults **in the Pacific in World War II caused this daily casualty rate per thousand men:**

Killed in action	1.78
Wounded in action	5.50
Missing in action	.17
DAILY RATE	7.45 casualties per 1,000

Protracted land warfare **in Europe caused this daily casualty rate per thousand men:**

Killed in action	.36
Wounded in action	1.74
Missing in action	.06
DAILY RATE	2.16 casualties per 1,000

THESE CASUALTY RATES were included in studies by the Joint Chiefs of Staff of the probable losses in an invasion of Japan.

paign through the full stages of invasion would result in unconditional surrender or absolute defeat. Prior defeat of Japan in the home islands would also establish the greatest possibility that other empire forces would capitulate, and in any event make their defeat easier to accomplish. The reverse would not be true.

"Therefore, the invasion of Japan is considered the most suitable strategy to accomplish unconditional surrender or ultimate defeat."

How much opposition an invasion of the Japanese home islands could expect was estimated at the policy meeting thus: "Intelligence based on results of recent operations and estimated results of directed operations . . . indicate that enemy disposition and capabilities in the main Japanese islands about five months after V-E Day will be such as to present no insurmountable difficulties to invasion.

"Important points of this estimate are: The impotence of the remaining units of the Japanese fleet and air arms, except possibly to attempt another all-out suicide defense as at Okinawa; a last-resort use of training planes and obsolete types; feverish efforts to strengthen defenses of vital areas; incapability of the Japanese to move reinforcements from Asia at a greater estimated rate than one division per month; and limited and vulnerable interior communications."

Preliminary bombardment by air to soften up Japan for invasion was provided as the initial step of the operation. A JCS supporting paper states: "Study by the Joint Target Analysis Group . . . indicates that, from bases now available or to become progressively available as a result of directed operations, a program of land-based air bombardment of vital target systems in the home islands between now and 1 December 1945 will create the situation necessary for invasion insofar as the Japanese reserve matériel position is concerned and her capability for moving what remains to her in reserve matériel."

The invasion operation's size, too, was determined at the JCS meeting in April. It was to include 36 combat divisions, a total of 1,523,000 men in uniform. The planners noted that "studies and estimates by joint agencies also have shown that we should have available in the Pacific by December 1945 sufficient forces and resources to initiate an invasion campaign on the scale of Olympic-Coronet."

"Operation Olympic" was the code name decided on for the planned invasion of Kyushu, the southernmost island of the Japanese group, and "Operation Coronet" for the invasion of Honshu, the main island, to follow.

Decision: invade. The record of the Joint Chiefs' deliberations on April 24,

(Continued on page 42)

"I know one thing about engines—they run best on Quaker State!"

How easy it is to be a lubrication expert these days! You say the magic words "Quaker State," and your car gets the finest lubrication, the smoothest performance, the longest lasting protection ever put into a crankcase. And no wonder! For more than half a century Quaker State has been the leading specialist in top-quality automotive lubrication. Quaker State Motor Oil, refined only from Pure Pennsylvania Grade Crude Oil, has led the way in technical advances. Today's Quaker State with Miracle Film protection is best for modern engines—by every test. Next time ask for Quaker State!

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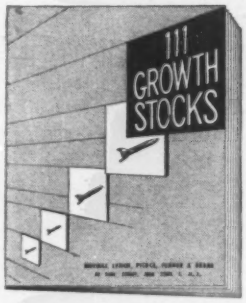

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[*continued*] **AN INVASION GI's WERE SPARED**

1945, then states: "Initiation of a campaign of invasion on the scale of Olympic-Coronet this winter is therefore considered feasible, and, based on current intelligence, there appears to be no necessity to consume time, effort and resources on the prior seizure of additional positions from which to strengthen the blockade and augment bombardment."

So the strategy of an "early invasion" was adopted. But, in case of an unexpected hitch in plans, the Joint Chiefs made this provision—

"Should later developments alter present estimates and hence make it necessary to reduce further Japanese capabilities before invasion, this should be done, in order of preference, by:

"a. Continuing blockade and bombardment tactics for a longer period from bases now available or to be progressively available as a result of directed operations.

"b. Develop additional bases on territory in our possession in order to deploy and operate more aircraft.

"c. As a last resort, seize additional territory and develop bases thereon.

"It should be noted that if preparations are made to initiate invasion of the Japanese home islands on the scale of Olympic-Coronet, it should be possible to execute any lesser contributory operation which later developments might prove to be required."

Losses ahead. How about the cost in casualties? The Joint Chiefs discussed this at length. The record of their findings includes one estimate that the first 30 days of "Olympic" might cost no more than the Luzon operation, perhaps 30,000 casualties. Another estimate, by Admiral William Leahy, reached 250,000 for Kyushu. But there was no estimate of the total casualties in documents now available.

As a rough indication of what was expected, there are these comments:

"It is possible only to generalize as to the expected casualty rates. Average casualty rate, per thousand men per day, for operations in Guadalcanal, New Georgia, Leyte, Attu, Marshalls, Marianas and Palau, all of which were amphibious assaults, was 7.45. Average casualty rate for protracted land warfare in the European Theater of Operations was 2.16 per thousand per day." Details of this computation are shown in the chart on page 40.

For a combined land-and-amphibious operation involving a 1.5-million-man force in a campaign the length of Olympic-Coronet, this would translate into a casualty list of killed, wounded and missing in the neighborhood of 1 million men.

"Naval casualties," the JCS figured, "can be expected to vary directly with the number of amphibious operations involved and with the length of the campaign, as the naval forces available for either strategy will be approximately the same.

"From these figures, it is concluded that we should (1) limit the number of separate assault operations; and (2) di-

—United Press

GI'S IN MANILA AWAITED INVASION ORDERS
Heavy casualties were expected

rect them toward land campaigns in decisive areas. These conclusions further support the strategy of invasion at the earliest date."

Time. How long would such an invasion take? The JCS had this to say:

"As to time it is estimated that the selected sequence of operations in a campaign of blockade and bombardment could be completed about the fall of 1946, and similarly that Olympic-Coronet operations should be completed by June 1946."

The big question of a need for Russia's entry into the final phase of Pacific war was taken up by the JCS last. Here is what the Chiefs decided, concerning the vast invasion of Japan then being planned:

"a. Because of our estimated ability to interdict Japanese movement between the Asiatic mainland and Japan proper, early Russian entry into the war against Japan and attendant containing of the Kwantung army is no longer necessary to make invasion feasible.

"b. It should be noted that the Cairo Declaration included provision that Manchuria be returned to China, and that Russia has not yet subscribed to the principles of this declaration. If Russia enters the war, her forces will probably be the first into Manchuria. This will raise the question of introducing at least token U. S. forces into China."

The date is set. The JCS then concluded: "In view of all factors, we should follow the strategy of early invasion and our course should be:

"a. Apply full and unremitting pressure against Japan by strategic bombing and carrier raids in order to reduce war-making capacity and to demoralize the country, in preparation for invasion.

"b. Tighten blockade by means of air and sea patrols, and of air striking force and light naval forces to include blocking passages between Korea and Kyushu and routes through the Yellow Sea.

"c. Conduct only such contributory operations as are essential to establish the conditions prerequisite to invasion.

"d. Invade Japan at the earliest practicable date.

"e. Occupy such areas in the industrial complex of Japan as are necessary to bring about unconditional surrender and to establish absolute military control."

This program was officially approved by the Joint Chiefs on May 10, to become the basis for future planning.

Invasion orders actually went out on May 25, 1945, the record now shows, when a directive for the Kyushu operation was issued to General MacArthur, Admiral Nimitz and General Arnold, setting the target date for the planned massive attack at Nov. 1, 1945.

WATER *for industry, crops, commerce*

Middle South industries now using large quantities of cooling and processing water include oil and gasoline refineries, chemical plants, pulp and paper mills and electric generating stations. One plant uses 160 *billion* gallons per year. *How much water does YOUR future plant need?*

IN THE MIDDLE SOUTH

In Arkansas, Louisiana and Mississippi there are numerous rivers, streams and ground water supplies available for irrigation and farm uses. Long practiced in rice irrigation, supplemental water application now is being extended to cotton, pasture lands, sweet potatoes and other major Middle South crops.
Does YOUR future plant need agricultural products?

THE MISSISSIPPI RIVER

Middle South ports on the Mississippi River are well known —New Orleans, Baton Rouge, Natchez, Vicksburg, Greenville, Helena, West Memphis and other terminals. These terminals connect with other key ports via the Intracoastal Waterways System, the Ouachita and Red Rivers, and with ocean shipping lanes to foreign ports.
Does YOUR future plant need world markets and resources?

The Middle South merits your consideration when you plan your future

For a closer look at the Middle South, write or visit the **Middle South Area Office,** 211 International Trade Mart, New Orleans—or any of these business-managed, tax-paying electric and gas service companies.

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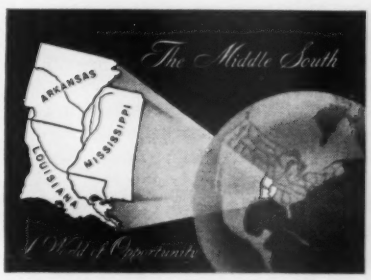


You'll Cross the U.S. in 4½ Hours

By 1959, Jet Liners Will Fly U.S. Airways

Faster schedules plus more comfort in flight—that's what jets will offer air travelers of the future.

Big, sleek jets are on order now. Airlines are spending hundreds of millions of dollars for the new-type planes.

First jet service: New York-London. By mid-1959, commercial jets will be flying regularly over U. S.

In about four years, jet-powered passenger planes will be opening a new age of travel for Americans. In this coming travel era, Americans will find the world a smaller place than ever before.

American-made jet transports, by summer of 1959, will be flying across the U. S. and on many overseas routes in daily, scheduled flights. These planes will bring an 80 to 90 per cent increase in passenger-plane speeds.

An example of what the new speeds will mean: A tourist from the Midwest will be able to leave Chicago at 9 o'clock in the morning and land in London six hours and 45 minutes later. Now, the trip is an overnight flight.

Another example: A businessman will be able to leave New York at 8 o'clock in the morning and step out of his jet plane four hours and 25 minutes later, in time for lunch at Los Angeles. This 2,450-mile trip now takes a full working day.

A speed-up of this kind produces revolutions in travel habits and, invariably, an upsurge in the amount of travel.

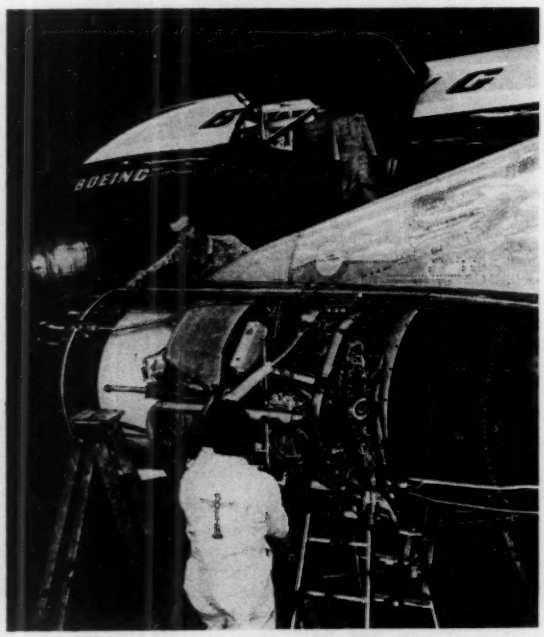
The airlines know what is coming. That is why you're hearing of a sudden rush to place orders for huge jet passenger liners. After years of talking, airlines are laying out their money for the new-type planes. National Airlines and Pan American Airways broke the ice with the first orders for jet liners. Now nearly all major airlines are planning to buy jets as fast as they can get them.

Deals involve hundreds of millions of dollars. The orders, and the millions, are going to U. S. manufacturers. Britain, which held the lead in jet transports, ran into trouble with its Comet, which had to be redesigned in some important particulars. As a result, it looks as if the U. S. will forge ahead of Britain in this field.

Behind the scenes, airlines are doing much dickering with manufacturers. There's talk of secret deals. There are claims and counterclaims about the planes that are available and when they will begin to operate.

Causing this sudden excitement, after years of much talk but little action on jet transports, are these facts: Jet air liners are ready, at last, for big-scale production. These planes will give passengers a new deal, a new standard of speed and comfort. This means, if past history is any guide, that jets will take the cream of the travel market. The airline that doesn't have jets when its competitors get them will be taking a back seat.

The planes. Boeing Airplane Company has made and flown the first U. S. turbojet transport—the 707. The prototype model flew from the Pacific to the Atlantic in less than four hours the other day, to show what it could do.



AIRLINES ARE TURNING TO JETS
Laggards may get left

Pan American Airways placed the first order for this plane, buying 20 of the 707s, with first delivery promised for late 1958. The 707, in Pan American's version, will seat 125 people on tourist flights, with three seats on each side of the center aisle.

Douglas Aircraft Company is offering the second entry in the turbojet-transport field, with its DC-8. The DC-8 will accommodate 131 tourist-class passengers, in one version being sold to airlines. National Airlines has a verbal commitment with Douglas for six of these planes. Pan American has ordered 25 of them.

In the mill are orders from United Air Lines, American Airlines, other big U. S. air carriers. The parade to jets is well started.

The speed and ease. Both the Boeing plane and the Douglas plane will cruise at about 550 miles an hour, where fast present-day liners with piston engines cruise at about 320 miles an hour.

What these jets will sell, actually, is time saved in transit, plus more comfort.

To the traveler, airline officials firmly believe, there's a world of difference between a 28-hour flight, such as is now required between New York and Buenos Aires, and making the same trip in 11 hours, as the new jets will make possible.

The jets' time saving will be like a gift of two extra days of vacation, the airlines say, to an Easterner who, for example, wants to go from New York to Honolulu. A Midwestern traveler, as another example, will be able to squeeze at least an additional full day of sightseeing into a two weeks' trip to Europe, when the new jet schedules are available.

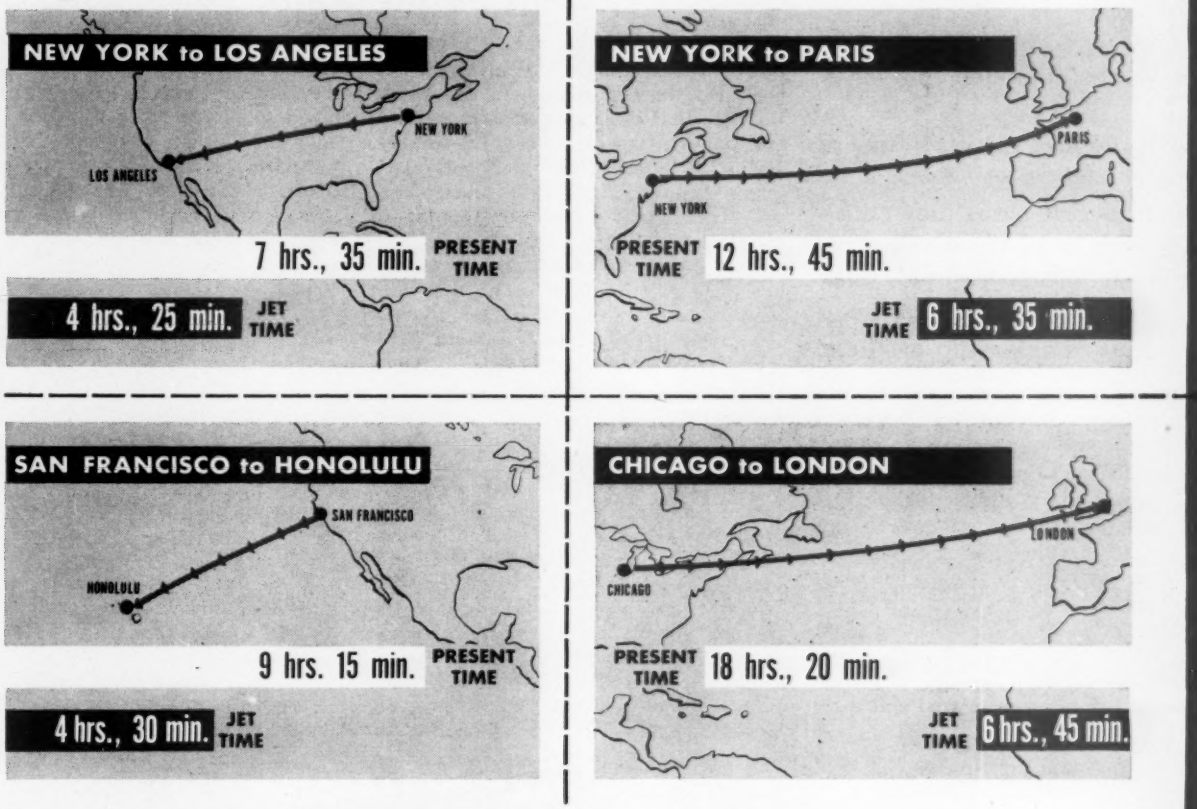
The plane ride itself will be different, too, in jets that now are on the way. There will be less waiting for the take-off, and, on the runway, none of the prolonged engine warm-up that jars the nerves of some passengers flying in present-day planes.

Noise and vibration will be markedly less than in piston-engine planes. The jet will climb fast and there will be less chance than in present planes for "bumpy air" to cause air sickness.

After the jet straightens out on a course, passengers will find the

WHEN NEW PASSENGER JETS ARE OPERATING –

Here's How Travel Time Will Be Cut



NEW YORK to MIAMI, FLYING TIME WILL BE CUT FROM
3 hours, 45 minutes, to 1 hour, 40 minutes

NEW YORK to BUENOS AIRES, FLYING TIME WILL BE CUT FROM
27 hours, 55 minutes to 11 hours, 15 minutes

SEATTLE to TOKYO, FLYING TIME WILL BE CUT FROM
17 hours, to 9 hours, 32 minutes

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ride so smooth and silent that they will often lose the sensation of motion.

The schedules. First to get U. S. passenger jets will be Pan American's nonstop New York-London flights. This service is expected to begin by early 1959. Next, Pan American will inaugurate New York-Paris jet service.

Later, probably by summer, 1959, jets will begin to appear on U. S. routes. Transcontinental nonstop flights will be the first of these routes to get jet service. Gradually, most of the major airlines will have jets on their longest hops, originating from such cities as San Diego, Los Angeles, San Francisco, Seattle, Washington, D. C., Miami, Denver, Dallas and Chicago, to name only a few.

It is unlikely that turbojets will be used on short or intermediate-range flights, such as between Boston and New York, or Washington and Chicago. That's an area for the turboprop transports, which are a modified type of jet using the exhaust, or jet, from turbine engines to turn propellers that move planes along.

The problems. The biggest problem with jets, from the airlines' point of view, is the high initial cost. First jet liners are turning out to cost about 5 million dollars each, twice the cost of the most expensive piston-engine planes.

The jets, being faster, will operate more efficiently. Being larger, they will carry more passengers. Their operating problems, such as the whine from turbine engines and jets' high landing speeds, apparently are to be solved about as well as similar problems could be solved for the larger piston-engine craft. Pilots can be trained to switch from present planes to the new jets in 30 days.

Main point about the jets, however, is their speed. That's what the public likes. And what the public likes it is going to get—though the jets still are some years away.

WHY JUSTICE IS SLOW IN U.S.

Court Terms Short, Too Many Cases

Is justice breaking down in U. S.?

Take federal courts. They're jammed with work. Some take years to decide cases that British courts handle in six months.

A look inside court records shows why. It also shows what is blocking a speed-up of trials.

If you are involved in a lawsuit in a federal district court in New York, the chances are you will not get it settled for nearly four years. If you have a suit in the northern district of Ohio, it will take almost three years to get a decision. In the District of Columbia you probably will have to wait two years.

These situations are typical of civil cases in the federal courts of all the populous States in the country. The time it takes to bring a case to trial and decision in this country's federal courts has been lengthening steadily since World War II. In 1946, the typical case took 8.9 months. Now it takes 14.6 months. That's the situation for the country as a whole. But, in 25 of the 86 districts, the usual case ranges from 15 months to nearly 4 years.

This situation contrasts sharply to that in Great Britain. There, any case can be brought to trial in six months. In Britain, judges and lawyers became alarmed a few years ago when the lapse between filing a case and trying it lengthened to a year, and concerted efforts were made to correct the situation.

What's being done. A remedy now is being sought in this country. Federal judges, at a recent judicial conference, appointed a committee, headed by Chief Judge John Biggs, Jr., of the Third Circuit Court of Appeals, to look into the administration of all federal courts and to recommend ways of bringing cases to trial more quickly.

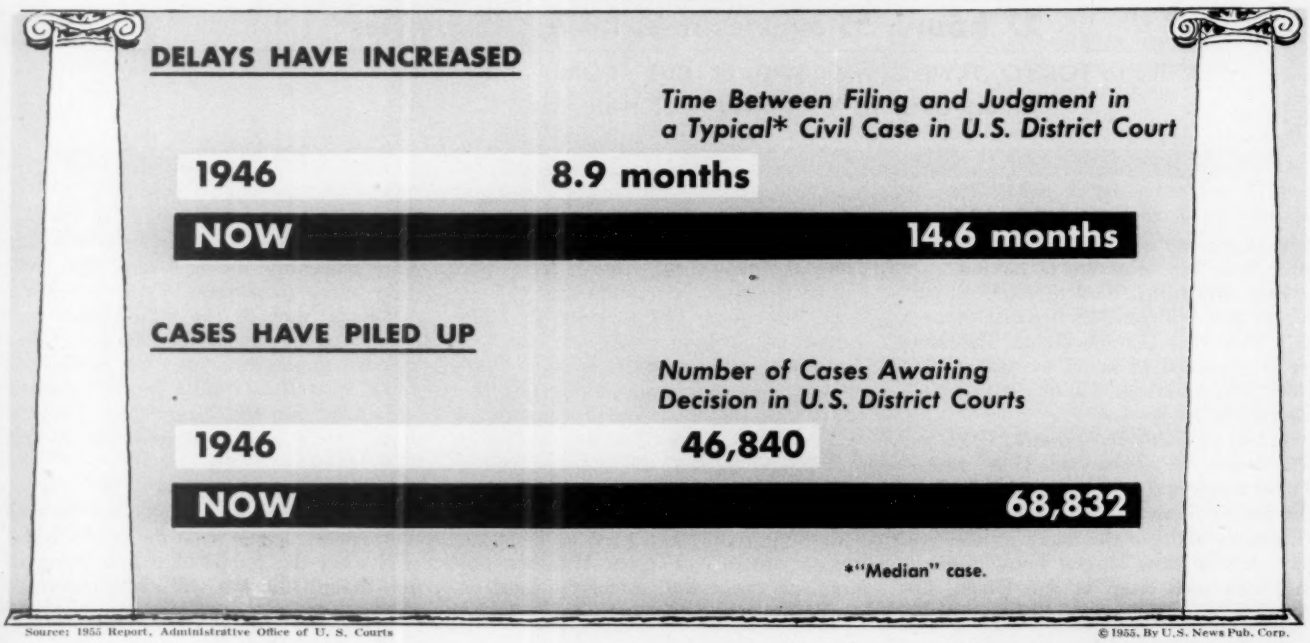
The Justice Department, too, is taking a hand in the problem. Deputy Attorney General William P. Rogers reminded the judicial conference that "justice delayed in many cases is justice denied," and called upon lawyers and the courts to clear the backlog of cases that are making delayed justice chronic. The Department also is directly concerned, because the Federal Government is plaintiff in about 25 per cent of all civil cases in federal courts and defendant in about 8 per cent. Quicker trials thus mean quicker settlements in civil suits involving the Federal Government.

Mr. Rogers informed the judges that the Justice Department now is ready to supply all the additional attorneys that may be needed in any district to speed up trials. He added that these attorneys are ready to work early and late in cleaning up court dockets and promised that, if the backlog is not greatly reduced by next summer, the Department will be prepared to try cases throughout the summer months.

These suggestions from Mr. Rogers carried a hint that harder work upon the

(Continued on page 48)

What's Happened to Federal Courts in Last 10 Years



Source: 1955 Report, Administrative Office of U. S. Courts

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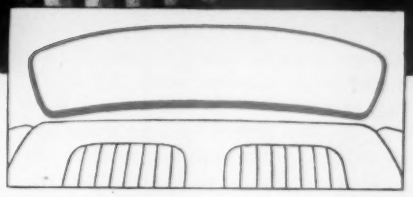

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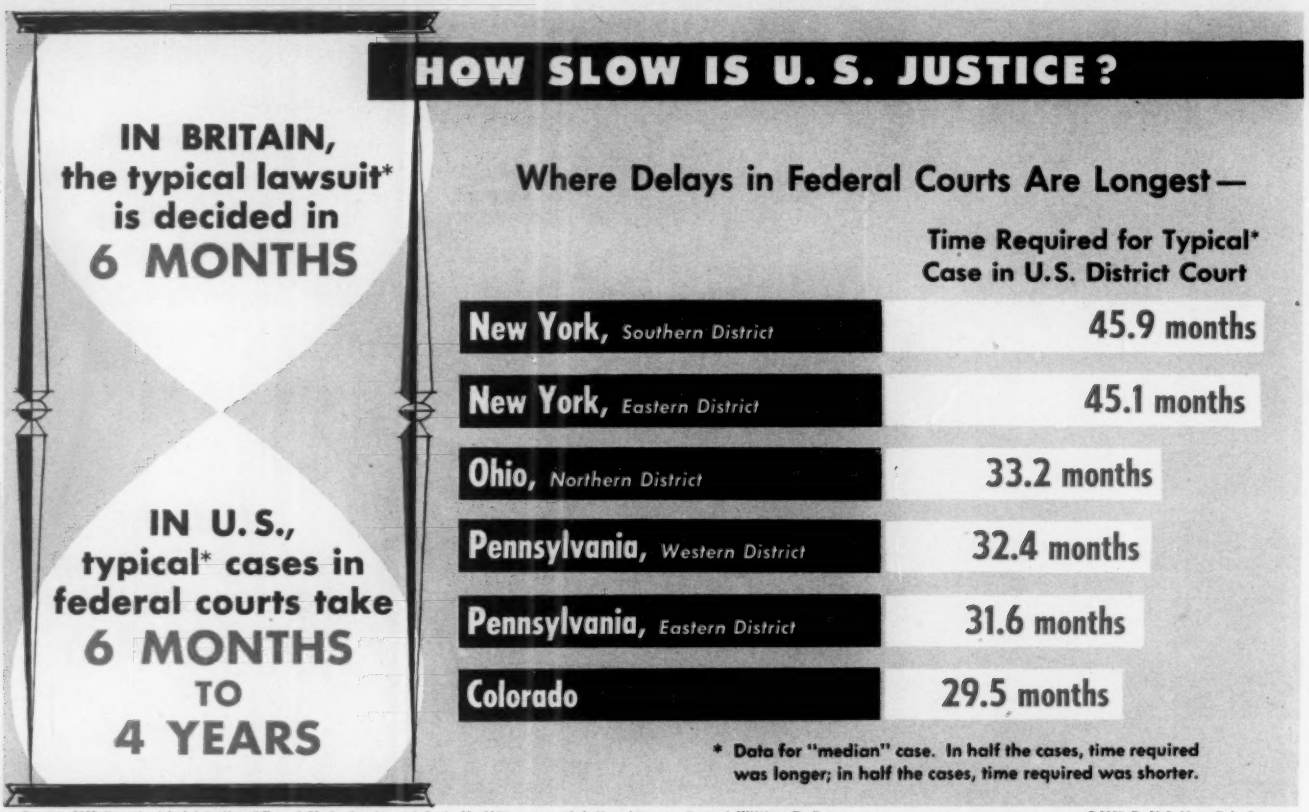
HOW SLOW IS U. S. JUSTICE?
IN BRITAIN, the typical lawsuit* is decided in 6 MONTHS
IN U. S., typical* cases in federal courts take 6 MONTHS TO 4 YEARS
Where Delays in Federal Courts Are Longest—
Time Required for Typical* Case in U.S. District Court
New York, Southern District 45.9 months
New York, Eastern District 45.1 months
Ohio, Northern District 33.2 months
Pennsylvania, Western District 32.4 months
Pennsylvania, Eastern District 31.6 months
Colorado 29.5 months
* Data for "median" case. In half the cases, time required was longer; in half the cases, time required was shorter.

Source: 1955 Report, Administrative Office of U. S. Courts; and Sept. 19, 1955, report of Acting Attorney General William P. Rogers

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part of judges might go far toward solving the problem of delayed trials. Courts normally hold sessions from 10 to 12 o'clock in the forenoon and from 2 to 4 o'clock in the afternoon. Sessions are rarely held on Saturdays, and most courts take a three-month recess during the summer.

Only the judges themselves, however, can decide to work longer hours. They are secure for life in jobs that recently were raised to $22,500 a year, and no man is their boss. The chief judge in each court is responsible for court administration, but he can only persuade his fellow judges to speed their work. He has no power to order them to do so. Furthermore, not all chief judges are good administrators. They reach their positions through seniority, and some courts in recent years have had two or more judges who were past 80 years of age.

Federal judges as a group, however, have been disposing of a larger number of civil cases. The total of such cases terminated in the year ended last June 30 was 58,974, compared with 53,259 in 1950 and only 38,561 back in 1941. That averages out to 196 cases per judge in 1941 and 236 cases per judge in 1955—an increase in output of 20.4 per cent.

What's happened in the federal courts is a deluge of lawsuits. The number of civil suits filed in 1941 was 38,477. In the year that just ended, the total was 59,375—a gain of 54.3 per cent. To date, the courts have been unable to handle the increased load. Pending cases have jumped from 29,394 in 1941 to 68,832 on June 30, 1955. It would take 14 months just to clear up the dockets if no more suits were filed. But new suits continue to be filed by the thousands.

Big culprit: the auto. The major cause of the rise in lawsuits is found in cases arising from automobile accidents. When people involved in accidents come from different States they may, if they wish, bring damage suits in federal courts. The records show that they are doing precisely that. Court records point to a steady increase in accident cases since 1945 when, with World War II ended, the American people again took to the roads. Judges see no signs that the flood of lawsuits will subside in years ahead unless the laws are changed.

One proposed change in the law is to make it more difficult to file suits in federal courts. At present, anyone can bring his case into a federal court if he is suing or being sued by a person from another State, and the amount involved is $3,000 or more. The judicial conference has recommended raising the minimum to $10,000. A study made in 1951 indicates that, if the minimum is increased, it would probably eliminate 39 per cent of federal-court cases involving contracts, and 13 per cent of cases involving personal injuries.

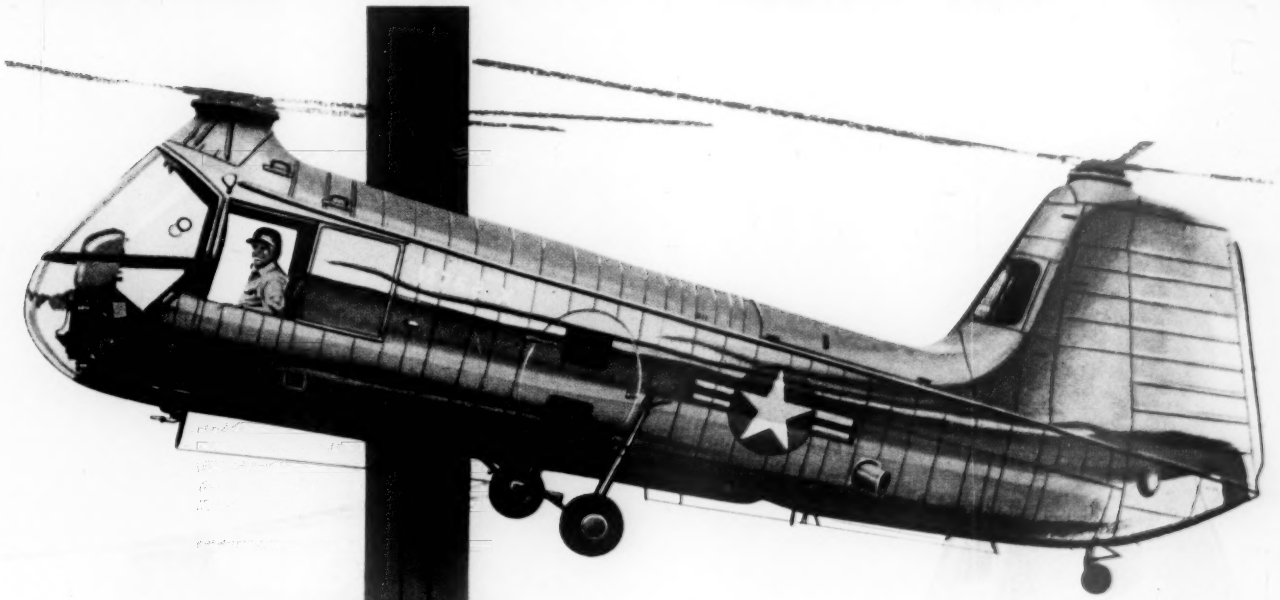
Another proposal is to take automobile-accident cases out of the courts entirely and treat them as industrial accidents now are treated through workmen's compensation laws. Industrial accidents are handled by special State boards or commissions. This procedure has been recommended by Governor Robert B. Meyner of New Jersey and by Judge Samuel H. Hofstadter, of the New York Supreme Court.

Adoption of this plan probably would require all automobile owners to carry personal-liability insurance to defray costs of the program.

Unhappy ratio. Congress is being asked to add new judges in districts where dockets are crowded. Recently 30 new judges were added to the system, but the courts say that still more are needed. The judges point out that there now are four times as many cases as in 1900, but only twice the number of judges.

Meanwhile, the log jam in the federal courts grows worse. More and more people are finding it more and more difficult to get their cases tried and decided. And the only prospect for improvement in the period immediately ahead appears to rest with the judges themselves and their decision to shoulder a much heavier burden of judicial work.

Everything's going up . . . except the temperature!



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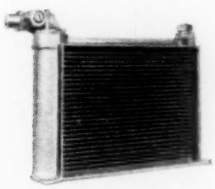

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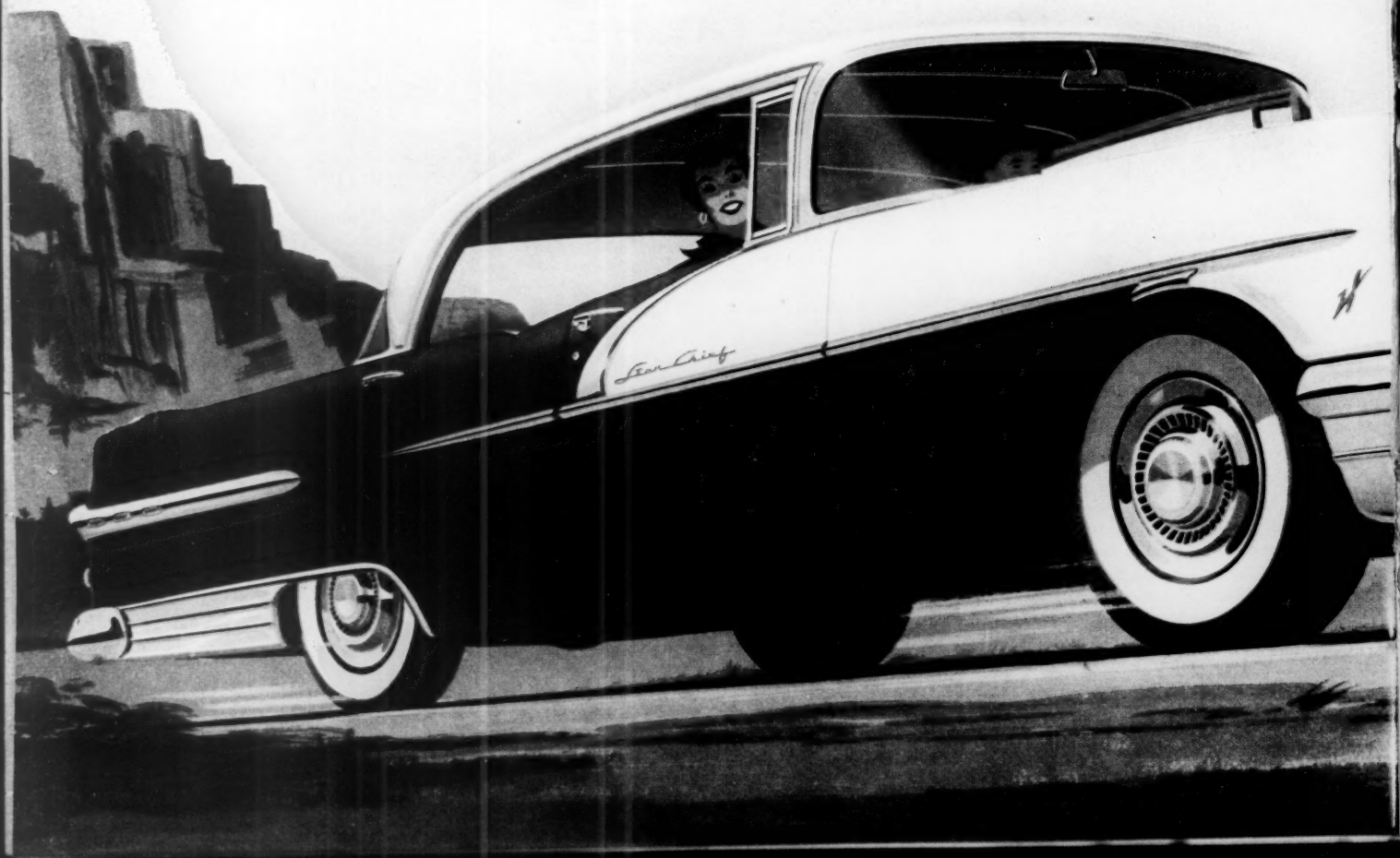

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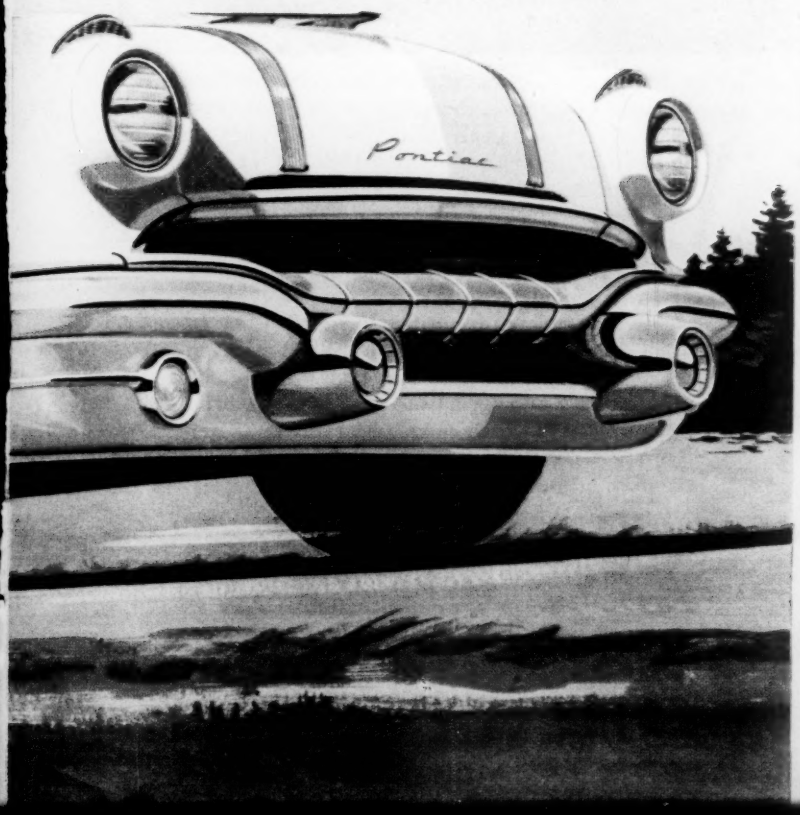

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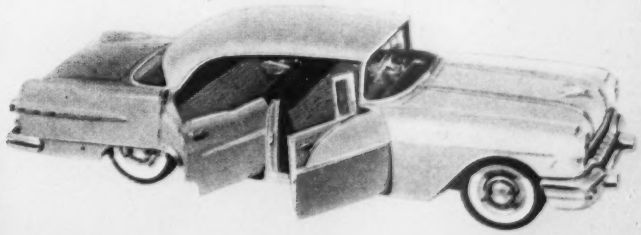

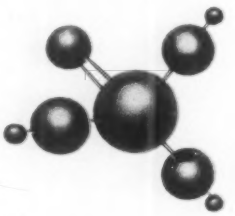

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FROM THE CAPITALS OF THE WORLD

PARIS....GENEVA....CAIRO....TEHERAN....

>> It's perfectly fair to ask now, as the next "Big Four" Conference opens--
Who has profited most from the "relaxation of tensions" of last July?
The answer is clear-cut, obvious, to the experts. It's Soviet Russia.

>> Draw up the list; add up the score. In just over three months, Russia has:

Won West Germans to the idea of establishing direct contact with Moscow. Russia alone of the "Big Four" now deals direct with both sides of Germany.

Broken into the Middle East by making an arms deal with Egypt, by appearing, suddenly, as the champion of the Arab world against the Western powers.

Profited by revolt in North Africa where Moors and Algerians are fighting Frenchmen, drawing the best of the French forces out of Europe into Africa.

Encouraged disorders in Cyprus, where a quarrel over the island threatens a British base and divides Greece from the rest of the Western Alliance.

Blocked real peace in Korea, Malaya and Indo-China where the lack of it keeps U.S., British and French troops on guard, far from home.

Made propaganda as a "champion of peace" by announcing small cuts in its armed forces, by withdrawing from an outmoded base in Finland.

Talked disarmament while ducking every attempt to pin them down on arms inspection, which the U.S. urges as the key step to preventing aggression.

So, as it looks from Moscow, it pays to wage "cold war" with a smile.

>> Keep this in mind about all the confusing news from France.

On or off the record, leaders of the Western Alliance agree that the weakest point on the Western side is France. That's unanimous. Even Soviet Russia appears to regard France as the "soft underbelly" of Western Europe.

>> Votes of confidence in Paris mean little. The French Assembly gave one to Premier Edgar Faure's Government recently. It was not bad as such votes go in France--308 to 254. But it did not cure the deep sickness of France.

Fighting and terrorism in French North Africa are expected to continue. Mobs in one Moroccan city set 56 fires over a week end. Rebel riflemen kept an Algerian port in a state of siege until a French cruiser arrived. Moorish mountains once called "pacified" now are "no man's lands" in bitter guerrilla war.

Slow reforms, promised at long last by Premier Faure's Government, do not satisfy angry rebels. They know they are causing real trouble in Paris.

>> "France can be ruled by skill and dissimulation," Premier Faure is reported to have said once. He has managed to last more than nine months. But.....

Economically, France is sick. Prices are almost as high as in the U.S.

(over)

Wages are only about one third of those in the U.S. Competition in retail trade is stifled by rings of producers who fix prices. Housing is bad, costly.

Politically, France is a mess. Communists, alone of the three major political groups, are disciplined. Government by the shifting center parties is wobbly, subject to constant upsets and trials. Crises are frequent.

French public opinion is almost anarchic. Conscripts mutiny to avoid military service in North Africa. Street mobs throw paving stones at police. The French people, it seems, are fed up with politics, wars overseas. Old fears of Germany are rising, encouraged by Communists. There is less fear of Russia.

>> Here's what a conservative weekly, "L'Economie" of Paris, has to say:

"Everything moves toward the same end: the disintegration of the state...

"At the moment...France seems ready to abandon its Western friendship for the illusion of a Soviet smile. And no one can tell us yet what that's worth."

>> There's still another setback for Western diplomacy, another victory in the Arab world for Soviet Russia. This time it's Yemen, the wild, ancient and still feudal kingdom down in the southernmost corner of Arabia.

In Cairo, the busy Russians signed a "friendship and trade" agreement with Yemenite delegates. That's one more Arab friend for Moscow. You can add Yemen to the list of Egypt, Saudi Arabia, Syria and Libya, all involved in the Arab "blood feud" with Israel, and all but Libya with votes in the United Nations.

>> Off in the opposite corner of Arabia, in the desert sheikdoms of the coast of Oman, Great Britain and Saudi Arabia are having a quiet "cold war" over oil.

A bribe of 90 million dollars, says the British Foreign Office, was offered to a sheik of the Buraimi Oasis by Saudi Arabia if only he would let the Arabian American Oil Company, which pays royalties to Saudi Arabia's ruling king, take the oil out of Buraimi. The offer, says Britain, was rejected.

An incident deep in the desert of the Aden Protectorate near Saudi Arabia also was reported by the British. American oil prospectors, escorted by Saudi-Arabian soldiers, met a British official escorted by troops of the Bedouin Legion. Americans and Saudi Arabs were asked to withdraw. They did.

Prize of all these desert shenanigans is what is rumored to be the world's greatest pool of oil. It may lie under ill-defined borders. That's the danger.

>> Don't write off Indonesia--yet. What looked at first like a smashing victory for Communists and "fellow travelers" is shading off as votes come in.

Neck-and-neck race for first place between pro-Communist Nationalists and the anti-Communist Masjumi may not be decided until the official count in the country's first elections is complete. That may take months. Meanwhile...

A caretaker Government, under Masjumi leadership, has cracked down on Communist propaganda, banning nearly 70 publications from Moscow and Peiping.

The new Government won't be formed until the year's end, if then. All parties are charging fraud and vote stealing. Nobody is sure, now, whether Indonesia's 80 million people will stay free or go Red.

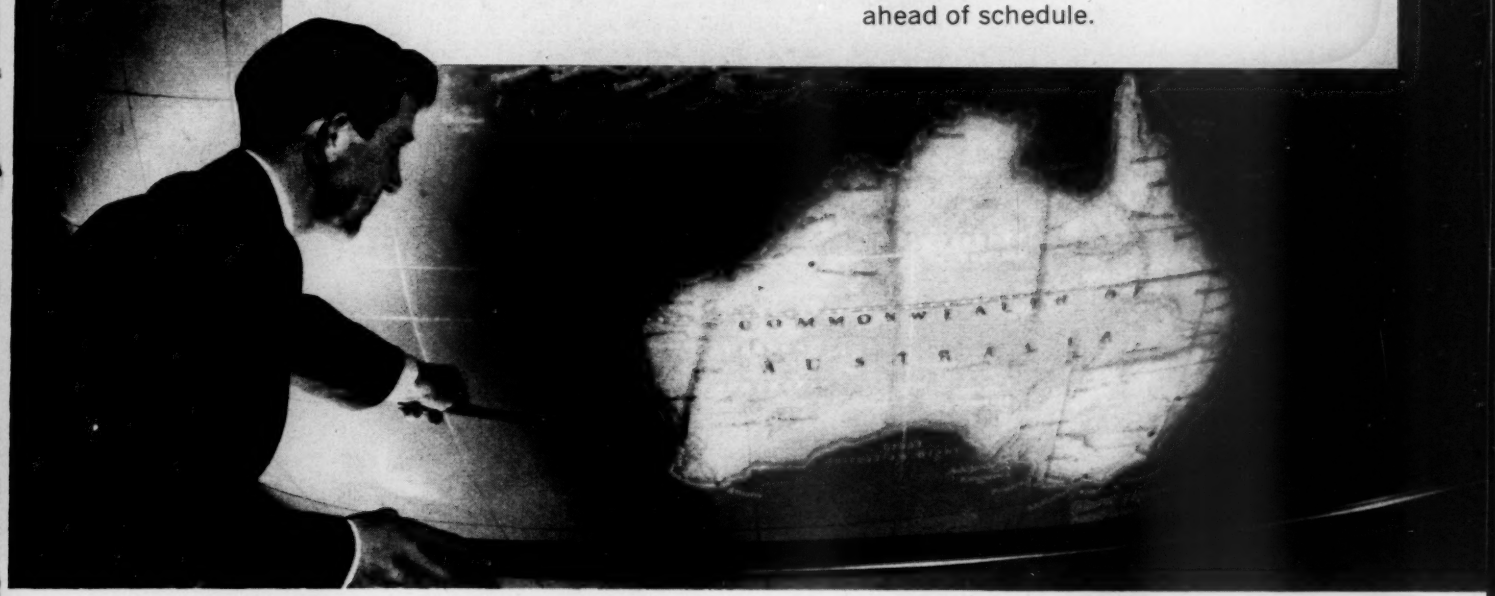
>> In Pretoria, South Africa, 100 witch doctors, most of them well dressed in European clothes, held a conference. They agreed on a five-year apprenticeship for trainees, discussed founding a university to help get rid of "quacks."

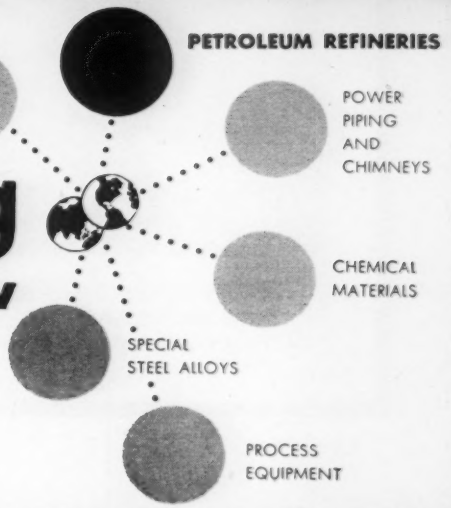
Petroleum Charts a Continent's Course

A plentiful supply of petroleum products is vital to a nation's industrial and agricultural growth and to its national security. In Australia, a major step toward self-sufficiency in refining capacity is The British Petroleum Company's new refinery at Kwinana. Planned now to meet almost half of the continent's 45,000,000 barrel annual goal, Kwinana is already helping attract new capital and labor to Western Australia, and promises to have a marked effect on the continent's over-all economy.

The largest and most modern refinery in Australia, Kwinana—like many other important refineries throughout the free world, was designed and built by The M. W. Kellogg Company and its subsidiaries—even to the extent of off-site installations including roads, docks, and loading, storage and housing facilities.

Due credit goes to the British and Australian sub-contractors as well as to the thousands of construction workers and engineers in Australia and abroad that this vast project was completed well ahead of schedule.





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One Room Is Home to a Soviet Family

That's Why Reds Are Studying U. S. Housing

Once again a "friendly" Russia looks to U. S. know-how for help. This time it's housing.

Here you learn what's behind the visit of Soviet construction experts. You get the facts on living conditions in the U.S.S.R., and why the Kremlin is pinning its hopes for a remedy on American techniques.

A 10-man delegation of Russian housing specialists has been getting a close-up of U. S. homes that has proved a real eye opener. The visitors have reacted by:

- Buying every conceivable gadget and accessory, from folding doors to complete all-electric kitchens.
- Collecting blueprints of homes, samples of wall and floor coverings, literature on housing developments and catalogues of construction machinery.
- Buying a three-bedroom house—a "split level," complete with furnishings—for shipment to Moscow.
- Expressing astonishment at the speed with which U. S. builders work—and the luxury that even the lowest-cost homes offer to housewives in this country.

Like the Red farm delegation which spent six weeks in the U. S. in July and August, these visitors aren't missing a trick. They've opened the doors on scores of closets, felt with admiration the glossy tops of kitchen cabinets, peered inside electric washing machines and dryers.

U. S. kitchens: "far ahead." For their American guides, the Russians' reactions have opened a new view into what living conditions are really like behind the Iron Curtain. Nearly always the visitors try to give the impression that much the same material and know-how are available in their homeland, but their badly concealed astonishment at American conveniences betrays them.

One delegate conceded U. S. superiority. Deeply impressed by the array of devices for saving time and work in one kitchen, he told a *U. S. News & World Report* correspondent: "In this respect, you are far ahead." A large part of the visitors' heavy expenditures has gone to buy such items.

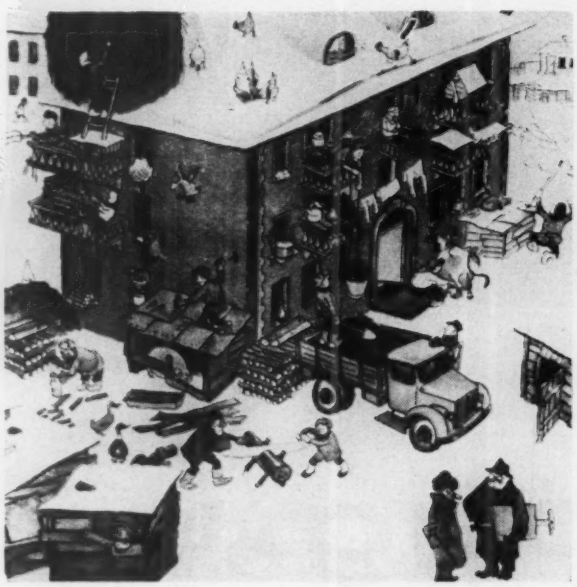
In one New York department store the Russians bought about $6,000 worth of household equipment, including an all-electric kitchen. The bill will go to the Soviet Embassy.

While touring California, the delegation bought a complete model home for display in Moscow. With furnishings, the house cost nearly $18,000; handling and shipping charges will bring the bill to about $24,000. The wooden building will be shipped knocked down, with each part numbered, and a complete set of blueprints will be included to guide Russian carpenters in setting it up.

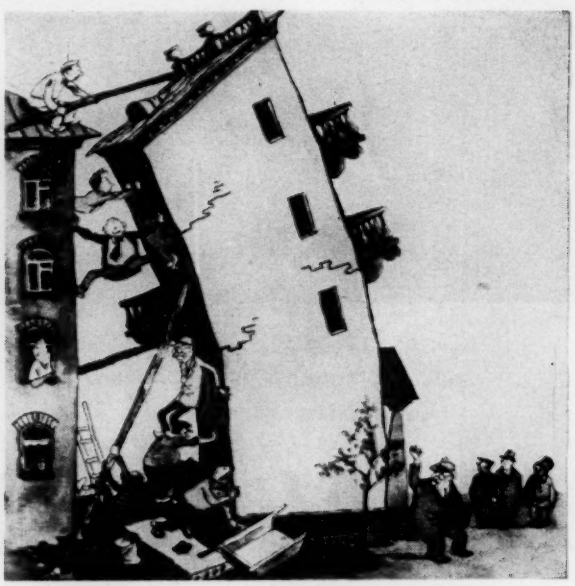
The visitors also made no secret of their desire to buy a prefabricated house and pick up any pointers that would aid the Soviet drive in that field.

Building according to Marx. Only once has American advice made no im-

BUILDERS, TENANTS — THROUGH RUSSIAN EYES



—"Where do all these additions come from? The plan doesn't call for any!"
—"That's precisely why they were added."



—"Hold it up! The inspection commission is coming!"

pression, and then because it ran counter to a Kremlin decree. U. S. builders got nowhere when they cast doubt on a Soviet plan to build apartment houses of reinforced-concrete blocks and slabs that have been precast—a project to which the Kremlin has given its approval.

According to Moscow's dictates, this is the fastest way to ease the chronic Russian housing shortage; and a major reason behind the decision to send the delegation to this country was to seek a quicker, cheaper way of producing this material.

When they questioned American builders, the delegates were told that the precast method Moscow has in mind was tried here long ago but has since been greatly modified and improved. The Russians greeted these words with shrugs. Moscow has picked its method, impractical or not, and it will stick to its original plans.

Soviet salesmen. In other talks with U. S. housing men, the Russians showed the same eagerness to learn that characterized the farm delegation. The two groups, in fact, bear great resemblance to each other, with one outstanding difference! The housing delegation is eager to discuss political issues.

Time after time the 10 Russians have gone out of their way to turn a conversation to ideological topics. Their themes: Nikita S. Khrushchev, Secretary of the Communist Party's Central Committee, is no dictator; Russians have no fear of the secret police; Soviet newspapers are as free as the U. S. press.

Moscow has chosen these men for their personalities, as well as for their knowledge of housing. They are goodwill emissaries. They have made a point of appearing friendly to the Americans they meet. They have even invited American builders to visit Russia, promising that they will be shown whatever they ask to see in that country. But, at every chance, they stress that same line: Russia really is free.

Even if the diplomatic side of their mission fizzles, to all 10 delegates this firsthand view of American homes has provided a dazzling contrast to the squalor and overcrowding nearly universal in the Soviet Union.

In Russia, no vacancies. Visitors returning from Russia paint a bleak picture of the desperate housing shortage. Space is in such demand that, on Government orders, families take strangers in to live with them. Bachelors are quartered with married couples; bathrooms are converted into bedrooms; many a young couple is unable to marry because there's not a room to be had. Frequently, where a person has died, his family is ordered to take in an outsider to occupy that space.

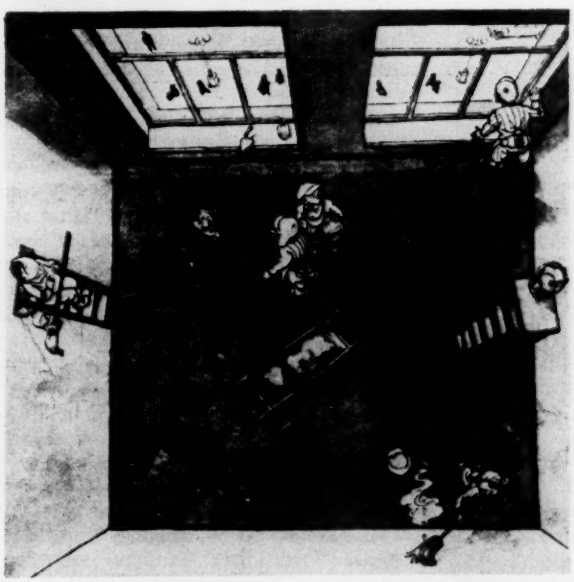
Even when available, housing is jerry-built. With the stress on speed, anything goes. The result: Even the newest structures are shabby. Stucco crumples, mortar work is sloppy. Inside, tiles are uneven, paint peels, doors hang badly. The American Embassy in Moscow, built only two years ago, has stairs that vary in height by as much as an inch and a half, and its walls are damp with seeping water.

I. K. Koziulia, minister in charge of urban construction and head of the visiting delegation, told newsmen that the average Russian occupies only 81 square feet of housing space, equal to a single room 9 by 9 feet. This is less than the "sanitary minimum" of 97 square feet called for in Soviet regulations. Moreover, other sources say a typical family of four often is jammed into a room only a little larger.

It is against this background of cradle-to-grave housing shortage and makeshift construction that the Soviet delegation was sent to inspect American homes and to pick up the latest American techniques.

America, the model. What it all adds up to is this: Russian leaders hope to apply American know-how to their own housing problem. Just as the farm delegation brought home invaluable tips on corn growing, so, the Kremlin hopes, the housing experts will return with some practical advice on how to solve the chronic Russian housing shortage.

(Cartoons from *Krokodil*, Russian humor magazine)



—"Comrade architect! You forgot to put in a door!"
—"Never mind. They'll do without one."
—"It's not the tenants I'm worried about. How are we going to get out of here?"

—"This house was badly built. Wherever you hit, [the material] crumbles."

'56 Democratic Drive—

WILL PRIMARIES DECIDE WINNER?

Elimination Contest Shapes Up in 19 States

A real scrap is developing for next year's Democratic primaries: Adlai Stevenson vs. Estes Kefauver.

On the outcome may hinge the party's presidential nomination. Both camps now are studying the lay of the land. The outlook is uncertain.

Thus the presidential primaries, often unimportant, are coming into the limelight now.

Next year's presidential primaries are beginning to assume an unusual importance. For once, it looks as though they may have some decisive effect on the selection of a presidential nominee.

In the Democratic Party, by all the signs, Adlai E. Stevenson, the 1952 nominee, and Senator Estes Kefauver, who came close in that year, are to be fighting it out in these primaries long before the National Convention meets.

Mr. Stevenson, now widely rated the front runner, is plainly on notice from party leaders that, if he is to have the nomination, he must go into the primaries and battle for it.

In Mr. Kefauver's case, a repetition of his 1952 primary successes is considered the only avenue by which he can reach the nomination. He is studying the prospects, awaiting the right time to announce his intentions.

Among Republicans there is extraordinary interest in the California primary. There Vice President Richard M. Nixon is challenged by Governor Goodwin J. Knight and politicians are uncertain which one, in a showdown, would carry the State. If Mr. Nixon should enter and be beaten, his cause might be seriously embarrassed.

Make or break. For Mr. Stevenson and Mr. Kefauver, the Democratic primaries in general mean a real elimination contest. If either is beaten decisively, his prospects would be heavily, perhaps irreparably, damaged. The primaries, in fact, have earned a reputation as a killer of candidacies.

In 1944, Wendell L. Willkie, the beaten Republican nominee of 1940, attempting a comeback, entered the Wisconsin primary. He stumped the State with all vigor. He ran fourth, did not pick up a single Convention delegate. Mr. Willkie thereupon withdrew from the race.

In 1948, Harold E. Stassen came a cropper in Oregon after doing well in other State primaries. He and Thomas E. Dewey toured the State intensively, engaged in a joint debate. Mr. Dewey won by fewer than 10,000 votes. And, although Mr. Stassen came close, the circumstances were such that politicians began rapidly discounting his prospects. Mr. Dewey went on to take the nomination.

—Costello in the Albany Knickerbocker News

"AND AWAY WE GO!"
Only one can ride all the way

The Oregon victory, however, was only one of many factors leading to Mr. Dewey's success at the Convention. Any amount of success in the primaries is scarcely a guarantee of the nomination. In only a few of the 19 States in which primaries are scheduled—see chart on page 59—does the voting control the ballots of Convention delegates.

For this reason, some politicians have come to ridicule the presidential primaries as meaningless "popularity contests." In 1952, President Harry S. Truman, his name entered against his will in the New Hampshire primary, called the balloting "eyewash," and predicted he would be proved right by developments at the Convention. He was.

It is against this background, and a new set of circumstances created by the expectation that President Eisenhower will not run again, that politicians are trying to assess the outcome of a Stevenson-Kefauver primary battle. There are many imponderables.

Reluctant fighter. For Mr. Stevenson, it means an abrupt switch in plans. It also means taking on an assignment in rough-and-tumble politics from which he naturally shrinks.

Before Mr. Eisenhower's heart attack, Mr. Stevenson was convinced that the primaries could be avoided. Since then, he has been told by friendly party leaders that he cannot avoid such tests, that to appear to duck them might prove ruinous.

So, as to the primaries, Mr. Stevenson has had his mind made up for him. There remains a question of strategy—whether to enter a number of the 19 State primaries, or pick and choose his spots.

Wherever he goes, however, Mr. Stevenson will be challenged, expectedly, by Mr. Kefauver.

Eager campaigner. The primary campaigns have come to be regarded as Senator Kefauver's dish. In 1952, for example, the very first of them, in New Hampshire, brought him to national attention. The successes that followed kept him before the public and got him so many delegate votes that he led on the first two roll calls for the nomination and lost to Mr. Stevenson on the third.

The Senator is a down-to-earth campaigner. In New Hampshire, for instance, he went from town to town, and not just making speeches. He accosted voters on the streets, in the stores, in their offices, introduced himself and in his solemn, always humble way asked for their support.

Mr. Kefauver, in winning, nominally defeated President Truman in New Hampshire. The latter had issued his "eyewash" statement and left his name on the ballot, but did not campaign in any way. The regular Democratic organization in New Hampshire meanwhile opposed the Senator.

The Senator carried his campaign southward to Florida and across the country to California and Oregon. A point much made of as the '56 campaign nears is that, in all but a very few of these elections, the Senator was not opposed actively by any national figure. The contests in which he was so opposed are being given another look.

Senator Richard B. Russell, of Georgia, was entered against Mr. Kefauver in Florida. Both men stumped the State. Senator Kefauver was widely known as a result of his investigation of crime in Miami. Senator Russell won the presidential-preference primary, 367,980 to 285,358. In a later election of Convention delegates, Mr. Russell emerged with 19, Mr. Kefauver with 5.

In Nebraska, Mr. Kefauver was challenged by Senator Robert S. Kerr of Oklahoma. The Tennessean won, 64,531 to 42,467. The delegation was divided. In the District of Columbia, where the people are voteless except in preferential primaries, Averell Harriman, now Governor of New York, entered the contest and won by 14,075 to 3,377.

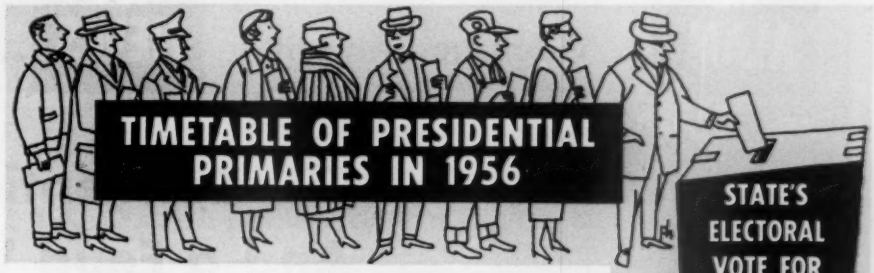
The campaign ahead. So, noting that wherever Mr. Kefauver ran into opposition he usually ran into trouble, the political experts are hesitant to form a judgment of what may happen when the Senator and Mr. Stevenson come to grips in next year's primaries.

Questions are raised as to whether, in the time available, the Senator would be able to carry his type of folksy, personal campaigning throughout the larger States —notably California, with its prize of 68 Convention votes.

An outstanding primary success could clinch the nomination for Mr. Stevenson. Such a development would stiffen the support of many State and county leaders who already are favorably disposed toward him. Victory for Mr. Kefauver might, however, leave the Senator with a long way to go, as he found out in 1952. He has alienated many party leaders by his independence.

Avoiding the risks. Waiting for one or the other to stumble is Governor Harriman. He says he is not a candidate and so need not go into the primaries. And, on the Republican side, if Mr. Eisenhower defers an announcement of his plans until summer, as some are predicting, no rush of presidential hopefuls to submit their candidacies to the risks of the primaries is expected. This could relieve Mr. Nixon of entering the California test, with its prize of 70 Convention votes.

But, among the Democrats, with Mr. Stevenson pitted against Mr. Kefauver the presidential primaries once dismissed as virtually meaningless may, in 1956, prove vital to the selection of a President.



TIMETABLE OF PRESIDENTIAL PRIMARIES IN 1956

DATE	STATE	STATE'S ELECTORAL VOTE FOR PRESIDENT
MARCH 13	NEW HAMPSHIRE	4
MARCH 20	MINNESOTA	11
APRIL 3	WISCONSIN	12
APRIL 10	ILLINOIS	27
APRIL 17	NEW JERSEY	16
APRIL 24	MASSACHUSETTS	16
APRIL 24	PENNSYLVANIA	32
APRIL 24	ALASKA	0
MAY 1	D. C.	0
MAY 7	MARYLAND	9
MAY 8	INDIANA	13
MAY 8	FLORIDA	10
MAY 8	OHIO	25
MAY 8	ALABAMA	11
MAY 8	WEST VIRGINIA	8
MAY 15	NEBRASKA	6
MAY 18	OREGON	6
JUNE 5	CALIFORNIA	32
JUNE 5	MONTANA	4
JUNE 5	NEW YORK	45
JUNE 5	SOUTH DAKOTA	4

States holding primaries have a total of 291 electoral votes, 25 more than a majority of the electoral college. Primaries do not select presidential electors, but their results often are considered a measure of the candidates' vote-getting power.

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THE MAN ... Governor Knight **THE NEWS** ... Who's He For?

—United Press

70 Convention Votes— And a Feud With Nixon

A politician with ambitions, a following and a feud on his hands is stirring up Republican strife in California. This tells how Governor Knight got where he is and what he hopes to do next.

SACRAMENTO, Calif.

THE REPUBLICAN PARTY has its troubles in California and these, for the most part, swarm about the State's exuberant and defiantly ambitious Republican Governor, Goodwin J. Knight.

California politicians sum up the situation this way:

Governor Knight would like to be President. If he can't reach that prize, he wants to deny it to Vice President Richard M. Nixon. If out of such a melee the party's nomination could be swung to a third Californian, Senator William F. Knowland, that would be satisfactory to the Governor.

In this fight, Governor Knight's chief weapons are his own political prowess, already amply demonstrated, and the State's 70-ballot delegation to the National Convention. Unless President Eisenhower comes out for Mr. Nixon, the Governor intends to control the delegation as a favorite-son candidate, even if this means an open break with Mr. Nixon in next June's presidential primary.

For the present, awaiting word of President Eisenhower's plans and wishes, most Republican leaders are avoiding public discussion of personal political plans—but not Governor Knight. He is not a reticent politician.

All this, and the sense of a growing Republican crisis in big and important California, has gotten the Governor nation-wide attention. There have been Republican worries that the party may defeat itself in the California turmoil. In addition, many persons have grown curious as to just who Governor Knight is, how he reached his present position and just what his potentialities are.

Politician. Outside the State there has been a tendency among political observers to ridicule Governor Knight for his recent maneuvers, to write him off politically. Californians of whatever party, however, hardly share this estimate of the man and his capabilities.

In California, Governor Knight is widely known, immensely popular, has a large and devoted following. Most political experts would hesitate to predict that Mr. Nixon could defeat the Governor in an election contest with the Convention delegation at stake.

Mr. Knight falls into a familiar pattern in American political life. He is constantly on the go, from one end of the State to the other, meeting people, slapping backs, shaking hands. He is quick with a quip, a wisecrack, a guffaw. He has the politician's knack for remembering names and faces.

Usually, the Governor makes an average of a speech a day. As elections approach, this is increased to two, three, or more. The Knight oratory is easy, fluent, mellifluous. His speeches often have been criticized for too high a content of lighthearted joking, storytelling. But he can, and on occasion does, take up a serious discussion of issues.

In brief, Governor Knight campaigns all the time, has done so for years.

Politician's rise. Now 58, the Governor was born in Utah of pioneer stock. The family moved to Los Angeles when he was 8. He attended public schools, went on to Stanford University. There followed a year on scholarship at Cornell. Mr. Knight returned to California in 1921. Without taking a law degree, he passed the State bar examinations.

Mr. Knight and a Stanford classmate formed a law firm that quickly prospered. On his father's advice, Mr. Knight's earnings went into Los Angeles real estate and then, in 1932, he bought a gold mine in the Mojave Desert. Friends say he now is independently wealthy. He has his own airplane, a converted DC-3, which he often uses for his political travels.

At 38, Mr. Knight was looking for new fields, and turned quite naturally to politics. In 1934, he delivered the keynote speech at the State Republican convention. Soon thereafter he allied himself with the highly "conservative" party faction of Frank F. Merriam. The latter was elected Governor and rewarded Mr. Knight with appointment to a vacant judgeship.

(Continued on page 62)

—Crockett in the Washington Star

CALIFORNIA'S RUG PULLER
The question: Will he pull?

Each week another group arrives at the Nation's Capital

40 Executives on a grave mission

They come, at the Government's request, not to discuss contracts and production schedules, but to plan something even more important in the national interest—the survival of their companies should disaster strike in any form . . . and a prompt recovery from the blow.

Upon this, it is pointed out, the survival of our nation may well rest.

During their stay in the Capital, Department of Commerce officials stress the importance of protecting employees and facilities; of establishing a continuity of management and technical know-how; of protecting vital corporate records.

The advantages of microfilming these records are reviewed . . . also the extra protection which results when the films are stored in such impenetrable fortresses as Iron Mountain Atomic Storage Vaults, Inc., N. Y.; Western States Atomic Vaults, Inc., Calif.; National Storage Company, Pa.

Vital-Record Security Service

In support of this program, Recordak Corporation (Subsidiary of Eastman Kodak Company) announces a new service designed to enable companies to resume normal operations faster if original records are lost or destroyed.

Beginning November 1, 1955, Recordak will maintain at each of the three above-mentioned locations, equipment specially designed for the high-speed production of paper enlargements from microfilm negatives. Equipment—and stand-by operating staff—can be augmented as required to meet increasing demands. Also, the same service may be provided in additional security areas.

Company executives who are concerned with the protection of their corporate documents will welcome this new *Vital-Record Security Service.*

For it means that they can reserve equipment and man power on an hourly or full-time basis specifically for the reproduction of their vital records *should originals be lost through any means.*

Contracts can be for as little as 2 hours of machine and staff time per day or as much as 24 hours per day on a 7-day week basis. Work will continue at this rate until the number of linear feet of vital records contracted for have been produced.

High-speed print production

Reproduction equipment used by Recordak in these security vaults will produce 1,000 linear feet of paper prints per hour from microfilm records of blueprints, production and research data, stockholder and financial records, contracts, and other vital items.

Non-strategic materials used

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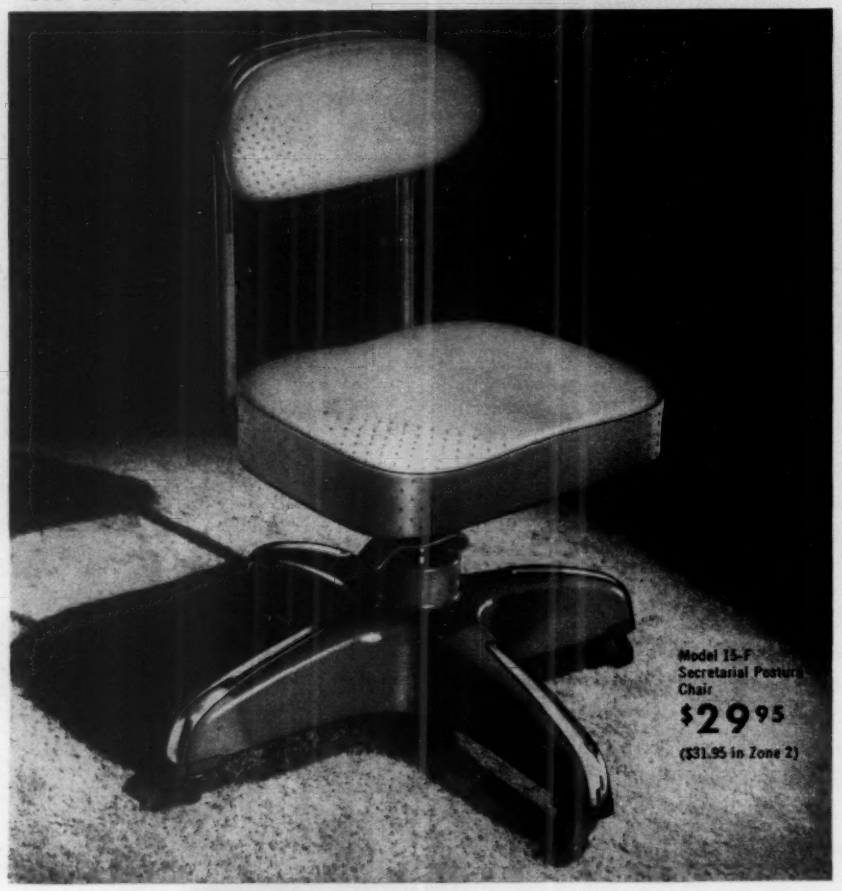

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The Man, The News

Nominated by both parties, Knight swept to re-election . . .

Elected to the same post in 1936 and in 1942, Mr. Knight spent 12 bored years on the bench. He kept up his political contacts, impatiently awaited his opportunity. It came in 1946 when, with the backing of the then Governor, Earl Warren, he was elected Lieutenant Governor by 330,000 votes.

In that job, Mr. Knight did not bother to conceal his confident expectation that the next step would be the Governorship. Somewhat lugubriously, he admitted to a bitter disappointment when Mr. Warren was beaten for the Vice Presidency in 1948, and he made noises that sounded as though he would oppose the Governor for re-election in 1950.

In that year, he had to be content, however, with re-election as Lieutenant Governor. And he scored a stunning victory. Under the California cross-filing system he obtained the nomination of both parties and received some 3 million votes in the general election.

Mr. Knight's problems were solved, however, when Governor Warren was appointed to the Supreme Court and, in October of 1953, he succeeded to the Governorship. He set about immediately to prepare for the 1954 gubernatorial election. In the primary he got only the Republican nomination, but went on to win by 500,000 votes.

Knight, Warren and others. Through the years, Mr. Knight was usually considered close to the "conservative" wing of the party by voters who objected to Mr. Warren's "liberalism." As Lieutenant Governor, he took no pains to hide disagreements with Mr. Warren on questions of social philosophy.

Mr. Knight objected to a Warren proposal for prepaid health insurance, opposed Mr. Warren's fair-employment-practices act. Governor Warren opposed a proposition that California teachers be required to take a loyalty oath. Mr. Knight was for it.

Since becoming Governor, however, Mr. Knight has in general followed along with the policies laid down by his predecessor. He also disappointed his previous "conservative" followers by becoming friendly with labor leaders.

In winning labor support, the Governor succeeded in pushing through the legislature a plan to increase maximum payments under unemployment insurance. Before the election of 1954, he promised to veto a proposed "right to work" law. That also got him union support. He followed through by seeing to it that the "right to work" proposal was stifled in committee.

. . . California Governor endorsed Ike, skipped Nixon

Mr. Knight visited Washington last May, and numerous observers noted that he spent more time consulting, and dining with, national labor leaders than in cultivating the big men of the Republican Party. Some of these labor leaders now back him enthusiastically.

The feud with Nixon. Recently, a political reporter wrote, after an interview, that Governor Knight had said Mr. Nixon could not win election to the Presidency. Mr. Knight denied having said it. The reporter insisted that he had. The incident brought out both Mr. Knight's readiness to talk and the feud with Mr. Nixon.

This feud has its origins in personal antipathies as well as party factionalism. Mr. Nixon came up independently of the Warren organization, was usually supported by the "conservatives" who had backed Mr. Knight.

The Governor is said to have become irked in 1952 when Mr. Nixon ignored him upon Mr. Nixon's return to California as vice-presidential nominee.

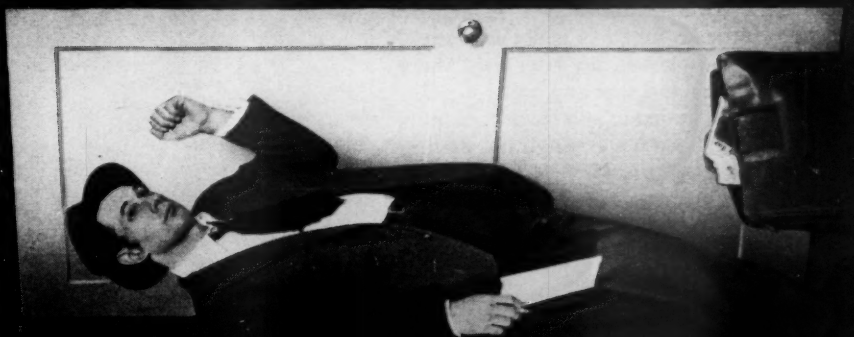
In August, 1954, Mr. Knight, with the help of Senator Knowland, prevented the election of a Nixon man as vice chairman of the State central committee. Last January, Mr. Knight endorsed Mr. Eisenhower for re-election but pointedly did not mention Mr. Nixon. Last summer, the Governor turned down an invitation to introduce the Vice President at a California function. Then came the developments that followed Mr. Eisenhower's heart attack.

Throughout, Mr. Nixon has said nothing. In a recent Los Angeles newspaper poll of the State central committee's 600 members, 61 per cent said they would favor a Nixon slate of candidates over a Knight slate in the primary. Twenty-two per cent were for Mr. Knight, and the rest did not reply.

And yet Mr. Nixon's problem is a real one. If he wishes to enter the primary, he must file his intentions not later than April 6. This might conflict with the timetable followed by the President in disclosing his intentions. And, even in the primary election, many hold, Mr. Nixon might lose.

Without opposition, Governor Knight would take charge of the delegation as a matter of course. Unless mollified, he could make things at the Convention incalculably difficult for a Nixon candidacy. Perhaps Senator Knowland would be the beneficiary. In any event, the Governor is in a position to keep California's Republican waters, already troubled, continuously roiled for months to come.

tired of knocking on doors?



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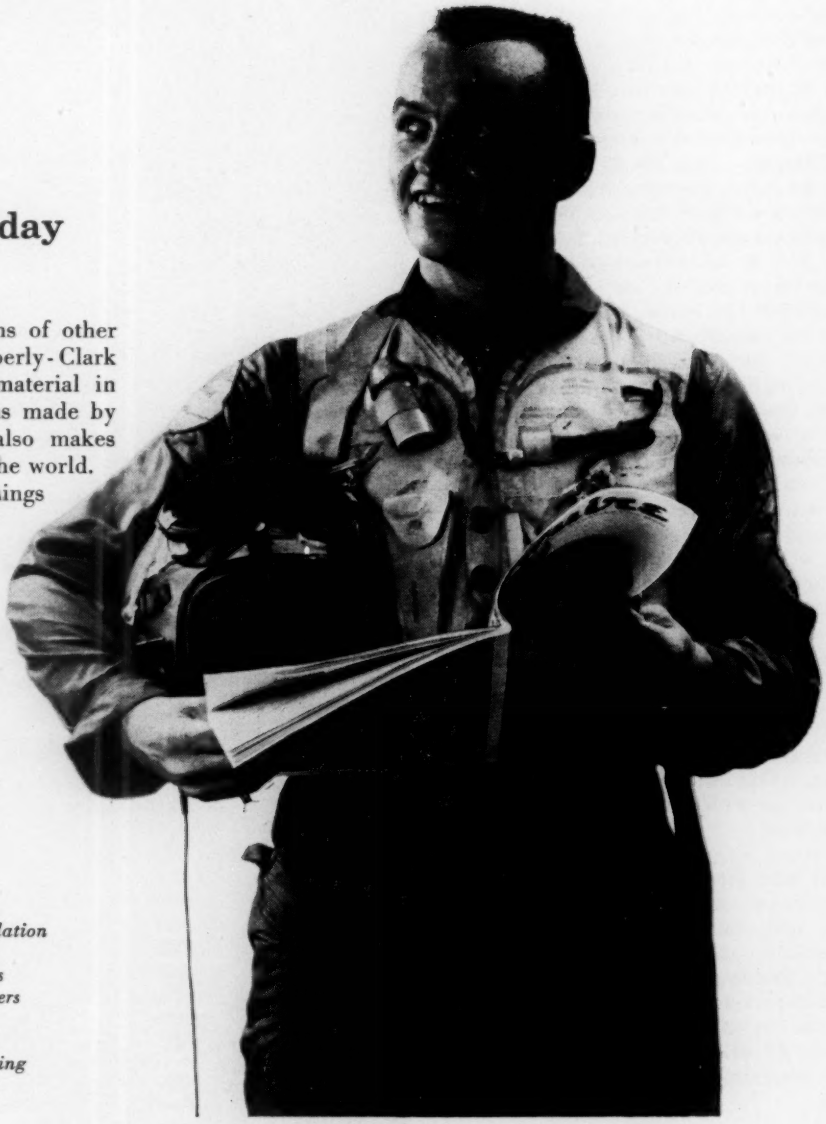

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IN YOUR PERSONAL PLANNING

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Reports that the U.S. Public Health Service is about to take the wraps off a vaccine effective against some kinds of "colds" has stirred excitement. To keep things in proper perspective, though, here are facts you should have:

VACCINE FOR "COLDS." The PHS is holding off public announcement on the vaccine until physicians can be given details in a medical publication. That is expected shortly. But indications are that the announcement will reveal the vaccine has been successful in tests on volunteers at two reformatories.

Point to emphasize, however, is that the vaccine is not the answer to the common cold. It is effective against only one of a group of viruses that cause cold-like illnesses. And the group itself--scientists call them APC viruses--is involved in but a small part of the ailments that people call "colds."

LASTING IMMUNITY. Still to be answered, too, is the question of how long protection from the vaccine will last. The average person gets several cases of sniffles a year, so natural immunity to most types of colds may be fleeting. But there's evidence the body's defenses against APC viruses are more enduring, and it's a safe bet scientists wouldn't bother with extensive tests on volunteers unless they thought the vaccine would confer immunity long enough to be worth while.

PESKY VIRUS. Though APC viruses account for only a minor part of the toll from colds, virtually everybody has been a victim of one at some time or other. The fever, sore throat and "virus X" symptoms they cause sometimes occur widely in epidemics. The peskiest of them, type III, is the one against which the new vaccine has been developed. It is made by growing the virus in the kidney tissue of monkeys, then "killing" it with chemicals--same principle as for the Salk polio vaccine. Success with a vaccine against a single APC virus creates hope a vaccine may come that will be effective against them all. And, building on that, perhaps someday one that would work against the common cold.

SELLING PROPERTY. If you own a large tract of land and break it up into parcels that you sell over a period of time, you don't necessarily put yourself into the real estate business. So holds the U.S. Court of Appeals for the Seventh Circuit. The decision is important because gains from the sales are taxable as ordinary income if you are in the business of selling property; otherwise they are taxable at a lower rate as capital gains.

(over)

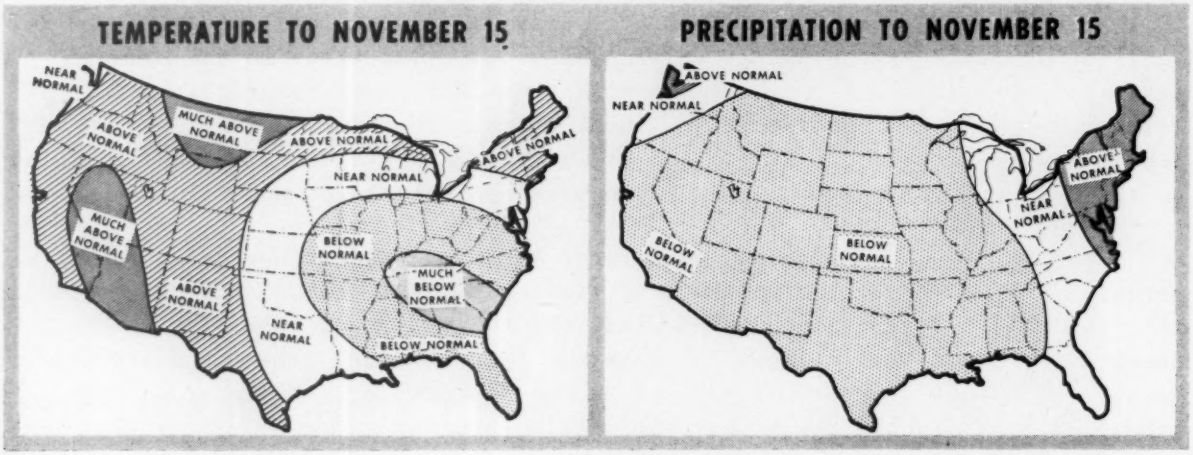
GI SCHOOLING. Do the payments a veteran gets from the Government to help him through school have to be counted in deciding whether a parent can claim him as a dependent for tax purposes? The answer: As a rule, yes. Money a student receives as a scholarship can be ignored in determining whether the parent provided more than half of the dependent's support. But the law says GI aid-to-education allotments are not scholarships. Thus, if the veteran uses his checks for books, clothes, tuition, board or lodging, the amount the parent spends for his support would have to top that total. If, though, the veteran spends the money on items not considered to be for support, the parent need not figure in that amount.

AUTOMOBILE INSURANCE. A decision by the Supreme Judicial Court of Massachusetts says this about clauses in automobile-liability-insurance policies that protect someone you let drive your car: Unless the policy actually spells out those to whom you may give such permission, the insurance protection ordinarily extends to anyone you choose to let behind the wheel.

RADIATION. A nontechnical guide on radioactive fall-out and defenses against it--for use in teaching self-protection techniques--has been put out by the Federal Civil Defense Administration. It is available, for 15 cents, from the Government Printing Office, Washington 25, D.C. Title: "Introduction to Radioactive Fallout."

OLD-AGE PENSIONS. The Social Security Administration adds a bit to its explanation about payments received by the wife of an individual who qualifies for both Social Security and Railroad Retirement benefits. When she also has earnings of her own that entitle her to Social Security, two possible situations arise: If her own benefit is smaller than the wife's benefit payable under her husband's Social Security earnings, she is allowed only one Social Security benefit--the wife's--plus the wife's benefit based on her husband's Railroad Retirement earnings. If her own benefit is larger, she also gets but one Social Security benefit--her own. And the Railroad Retirement benefit will be reduced by the amount her own payment exceeds the wife's Social Security benefit.

WEATHER. Indian summer is to be warmer than usual in the West, cooler than normal in the Southeast. So say these maps based on the weatherman's outlook:



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Official Records Reveal:

SECRETS OF THE PACIFIC WAR

What Went On in Highest Councils Told for First Time

The inside story of what led the U.S. to pay Stalin's price for joining in war against Japan now is told in Army and Navy documents just made public.

In extracts from these official papers, published below, you can follow top U.S. military and civilian planners from the time they first sought Stalin's aid the day after Pearl Harbor. Turned down time after time, the U.S. finally decided that Soviet help was not essential, but still gave Stalin what he wanted at the Yalta Conference.

This decision long has been a puzzle. Now you get some reasons behind it.

Following are extracts from the report, "The Entry of the Soviet Union Into the War Against Japan: Military Plans, 1941-1945," released by the Department of Defense on Oct. 19, 1955:

I. AFTER PEARL HARBOR

The critical military situation in the Pacific following the Japanese attack on Pearl Harbor prompted intensive consideration in Washington, as well as in the field, of advantages that might be derived from Soviet entry into the war against Japan. The desirability of U.S.S.R. participation was indirectly suggested by President Roosevelt's remarks to Soviet Ambassador Litvinov on December 8, 1941, discussed by Secretary of State Cordell Hull with Ambassador Litvinov on the same day, proposed by Generalissimo Chiang Kai-shek to the Soviet Government on December 8, and recommended by General Douglas MacArthur to General George C. Marshall on December 10, 1941.

• • •

General Marshall discussed General MacArthur's suggestions with Secretary of War Henry L. Stimson that same day, but Mr. Stimson felt that, since Mr. Litvinov had already expressed informally his government's desire to remain neutral in the Far Eastern war, the Soviet Union might consider any pressure for such participation a sign of United States weakness. On December 11, the Soviet Ambassador officially informed the Secretary of State that the Soviet Union "was not then in position to cooperate with us against Japan. Russia, he said, was fighting on a huge scale against Germany and could not risk an attack by Japan."

• • •

II. 1942

During 1942 the question of Soviet involvement in the Pacific war was raised intermittently in Washington because of the possibility that Japan might attack the U.S.S.R. and of the interest that the Army Air Forces had in establishing air bases in Siberia. Military planning to counter a Japanese attack or to mount an aerial offensive from Siberia required specific information about Soviet capabilities in the Far East that the Soviet Government failed to make available. Consequently, consideration of Soviet entry into the Pacific war remained inconclusive.

The possibility of a Japanese attack on the U.S.S.R. received increased attention in the spring of 1942. At that time Japanese successes in the Pacific and in Southeast Asia areas provided the Japanese military forces with increased flexibility. On March 4, 1942, the President asked the Joint Chiefs of Staff to restudy the question of Soviet participation in the Pacific war.

• • •

The Joint Chiefs of Staff noted in their reply to the President on March 30, 1942, that more information about Soviet plans and forces was required to answer the questions raised by the President.

• • •

The subject of aid to the Soviet Union was also referred to in messages exchanged early in May 1942 by the President and General MacArthur. On May 6 the President sent a cable explaining the War Department's inability to furnish the reinforcements General MacArthur had requested.

> In the matter of grand strategy [the President had written] I find it difficult this Spring and Summer to get away from the simple fact that the Russian armies are killing more Axis personnel and destroying more Axis matériel than all the other twenty-five United Nations put together. Therefore, it has seemed wholly logical to support the great Russian effort in 1942 by seeking to get all munitions to them that we possibly can, and also to develop plans aimed at diverting German land and air forces from the Russian front.

• • •

Further discussion of the Soviet Union's role in the Pacific war was spurred by the Japanese attacks against Midway and the Aleutians in early June 1942. . . .

On June 15, 1942, the Joint Chiefs of Staff asked the President to obtain Marshal Stalin's approval for United States-Soviet military staff conversations. The President accepted this suggestion. . . .

• • •

In reply, Marshal Stalin addressed himself only to the

. . . "Stalin felt Japan might attack at any time"

question of a lend-lease air route from Alaska, avoiding discussion of the possibility that the Japanese would attack Siberia. . . .

The President decided to go ahead on the basis of this partial acceptance of his proposals. He informed Marshal Stalin on July 6 that he had designated Maj. Gen. Follett Bradley of the Army Air Forces as his representative to go to Moscow. . . . The United States representatives were authorized to discuss and arrange cooperative action against Japan if the question should be raised by Soviet officials.

During the summer of 1942, while the Soviets were losing territory to the Germans in southern Russia, General Bradley was able to make only slow and halting progress in opening the Alaska-Siberia ferry route. Finally, on October 6, he obtained Marshal Stalin's permission for a survey of the Siberian air bases. Marshal Stalin indicated that "although Japan and Russia had a neutrality pact no one in Russia believed any Japanese statement and that he felt Japan might attack at any time."

. . . The Joint Chiefs of Staff, after reviewing the problem, suggested to the President that he inform Marshal Stalin of United States readiness to commit three heavy bomber groups to Siberia. This proposal was sent on December 30.

° ° °

Marshal Stalin replied on January 5, 1943:

> I have received your message concerning the Far East. Please accept my appreciation of your willingness to send 100 bombers for the Soviet Union to the Far East. However, I must say that at the present time we want aid in airplanes not at the Far East, where the U.S.S.R. is not engaged in war, but at the front of the fiercest war against the Germans, i.e., at the Soviet-German front. The arrival of these airplanes, without fliers, (we have enough fliers of our own), at the southwestern or the central front would play an enormous role in the most important sectors of our struggle against Hitler.

° ° °

III. 1943

Discussions among the United States, the United Kingdom, and the Soviet Union during 1943 focused principally on the problem of coordinating the allied war effort against Germany. Only minor attention was given to the question of Soviet participation in the Pacific war at the four major interallied conferences that took place during the year—the first at Casablanca in January, the second at Washington in May, the third at Quebec in August, and the final one at Cairo-Teheran in November and December. Military planners continued to hope for eventual Soviet aid against Japan, and at the Teheran Conference Marshal Stalin stated that such aid would be forthcoming after the defeat of Germany. Field commanders were not drawn into strategic planning activities except when their particular theaters were directly affected.

° ° °

. . . At Quebec . . . in regard to the possibility of a Russo-Japanese war, the Joint Chiefs of Staff submitted the following estimate of the situation:

> There exists between Russia and Japan a basic conflict of interest. Japan cannot enjoy complete strategic security without gaining control of the eastern region of Siberia. Russia is determined to hold that region, the strategic security of which requires the ultimate expulsion of Japan from the mainland of Asia and from southern Sakhalin. For the present, however, both Russia and Japan desire to avoid war with each other in order to be free to direct their efforts against their respective enemies. Russia is likely to intervene in the war against Japan at some stage, but not before the German threat to her has been removed. After that, she will make her

—Sovfoto

RUSSIAN TROOPS MARCH THROUGH MANCHURIA'S CAPITAL IN 1945

The Joint Chiefs in 1944: "Every effort should be exerted to bring the U.S.S.R. into the war"

. . . "Combined Chiefs: 'We should urge U. S. S. R. to come in'"

decision in the light of her own interests and will intervene only when she reckons that Japan can be defeated at a small cost to her.

• • •

When Marshal Stalin had been unable to accept the invitation to meet with the President and the Prime Minister at Quebec, he had suggested that a meeting of Foreign Ministers be convened at Moscow. Before this meeting opened in October 1943, the President appointed Mr. W. Averell Harriman as the new ambassador to the Soviet Union and designated Maj. Gen. John R. Deane to be a member of the United States delegation to the Moscow Conference. The latter was to remain in Moscow as head of the United States Military Mission. In their instructions to General Deane, the Joint Chiefs of Staff pointed out not only the vital role of the Soviet Union in the defeat of Germany but also:

> The great importance to the United States of Russia's full participation in the war against Japan after the defeat of Germany as essential to the prompt and crushing defeat of Japan at far less cost to the United States and Great Britain.

The Moscow Conference opened on October 19, 1943, and was primarily concerned with European political matters. . . . Informally the Soviet representatives indicated that their government was moving closer to participation in the Pacific war. . . .

• • •

Secretary of State Hull has reported that at the conference Stalin astonished and delighted him "by saying clearly and unequivocally that, when the Allies succeeded in defeating Germany, the Soviet Union would then join in defeating Japan." . . .

• • •

Why Stalin Held Back

Preliminary to the Teheran Conference, the Combined Chiefs of Staff discussed among many other subjects their forthcoming meeting with Soviet representatives. Both Ambassador Harriman and General Deane expressed to the Joint Chiefs of Staff the opinion that the Soviet Union had every intention of joining the United States and Great Britain in the war against Japan as soon as Germany had capitulated, but that she feared a break with Japan before completing preparations.

Subsequently, a list of the most important subjects to be discussed with the Soviet military leaders was drawn up by the Joint Chiefs of Staff and accepted by the British Chiefs of Staff. On this list were five items relating to Japan.

> **a.** Request Soviets to furnish combat intelligence information concerning Japan; if agreed to we will present specific questions through the military mission at Moscow.
>
> **b.** Request Soviets to indicate whether they consider it desirable at this time to set in hand arrangements to base Soviet submarine force in U. S. territory.
>
> **c.** Request Soviets to indicate what direct or indirect assistance they will be able to give, if it is found possible to launch an attack on the Northern Kuriles.
>
> **d.** Soviets to indicate what ports, if any, they could allow the U. S. Navy to use. Request Soviets to furnish data on ports through Military Mission in order that we may determine the size and type of Naval Task Force we can employ.
>
> **e.** Soviets to indicate what air bases, if any, they could allow our air forces to use for operations against Japan, what facilities, including gasoline and bombs, could be supplied. What air routes to these bases could be provided?

Although at Teheran the military staffs never discussed the war against Japan, Marshal Stalin did mention the subject at the first meeting of the allied war leaders on November 28, 1943. After the President had reviewed allied strategy and described in some detail United States operations in the Pacific, Marshal Stalin replied as follows:

> . . . We Soviets welcome your successes in the Pacific. Unfortunately we have not so far been able to help because we require too much of our forces on the Western Front and are unable to launch any operations against Japan at this time. Our forces now in the East are more or less satisfactory for defense. However, they must be increased about three-fold for purposes of offensive operations. This condition will not take place until Germany has been forced to capitulate. Then by our common front we shall win.

• • •

Planning for Victory

After returning to Cairo from Teheran, the Combined Chiefs of Staff approved in principle, as a basis for further investigation and preparation, an overall plan for the defeat of Japan. The plan took account of the possibility that the defeat of Japan might be accomplished by sea and air blockade and aerial bombardment without an invasion of the Japanese home islands. Provision, however, was to be made for an expansion of the plan to meet the contingency of invasion if this proved necessary. The plan also included the possibility that Germany might be defeated in 1944 and the possibility that the Soviet Union would enter the war against Japan shortly thereafter. Accordingly, preparations were to be made to take advantage of such a development.

The general concept of the plan was that the main effort against Japan would be made in the Pacific, with concurrent advances along the New Guinea-Netherlands East Indies-Philippines axis and across the Central Pacific through the Japanese Mandated Islands. Operations in the North Pacific, South Pacific, China, and the Southeast Asia Theater were to be merely in support of the main operations. However, "in the event of the U.S.S.R. entering the war, operations in the North Pacific may assume far greater importance and may involve a major redeployment of forces."

Annex I to the plan was a note on the preparations to be made for possible Soviet entry into the war. It read as follows:

> 1. We should urge the U.S.S.R. to come in as early as possible; ask them to tell us when they propose to come in; what they propose to do when they come in; and what they want us to do to help.
>
> • • •
>
> 4. We must constantly review the situation so as to be ready to adjust our operations elsewhere when the U.S.S.R. come into the war.

Also annexed to the plan was an outline for the employment of B-29 aircraft from either China or Siberia.

In a paper dealing with specific operations to be undertaken against Japan in 1944, the Joint Chiefs of Staff stated:

> 1. We are agreed that every effort should be exerted

. . . "Necessity of invading Japan had to be accepted"

to bring the U.S.S.R. into the war against Japan at the earliest practicable date. . . .

* * *

At Teheran Marshal Stalin indicated to the President and the Prime Minister that the Soviet Union wanted all of Sakhalin, the Kuriles, and access to a warm water port in the Pacific, such as Dairen.

IV. FROM TEHERAN TO YALTA, 1944

Restatement of the Concept of the War Against Japan

With eventual Soviet participation in the war against Japan having been promised at Teheran, the United States military planners continued to review during the spring of 1944 the overall plan for the defeat of Japan in the light of the accelerating advance of United States forces in the Central Pacific and South Pacific areas. The planners finally came to the conclusion that sea and air blockade and intensive air bombardment could be relied upon to "lower Japanese ability and will to resist" but could not guarantee the early unconditional surrender of Japan. Hence the necessity of invading the home islands had to be accepted.

On July 11, 1944, the Joint Chiefs of Staff approved this revised concept. . . .

* * *

The plan assigned target dates during the period April 1 through June 30, 1945, for the invasion of the Bonins and the Ryukyus, accompanied by increasing air attacks on the Japanese homeland. The final phase was temporarily scheduled to start with an invasion of Kyushu on October 1, 1945, and culminate in an assault on the Tokyo region of Honshu at the end of December 1945.

The defeat of Japan envisaged in this concept was "not contingent upon the active participation of Russia in the war." . . .

* * *

At the Quebec Conference in September 1944 the British Chiefs of Staff approved the revised overall plan for the defeat of Japan. The intention of invading the Japanese home islands received the endorsement of the President and the Prime Minister.

At the same conference, the Combined Chiefs of Staff discussed the establishment of a planning date for the end of the war against Japan. The sole purpose was to provide guidance for production scheduling and manpower allocation. While the British Chiefs of Staff proposed an estimate of two years after the defeat of Germany, the Joint Chiefs of Staff, who had been using a one year period, recommended as a compromise an 18-month period, "to be adjusted periodically to conform to the course of the war." The latter recommendation was accepted by the Combined Chiefs of Staff and approved by the President and the Prime Minister.

The Problem of Joint United States-Soviet Planning

Although the approved overall plan was "not contingent upon the active participation of Russia in the war," such participation had been promised at Teheran. To coordinate United States operations in the Pacific with prospective Soviet action, the military planners in Washington needed detailed information on Soviet capabilities and intentions in the Far East. General Deane's efforts to obtain this information in Moscow had produced no return by the beginning of 1944. During the first months of that year, the military planners in Washington prepared and forwarded lists of questions for General Deane to submit to Soviet officials, but the Soviet response continued to be disappointing.

During the first half of 1944 it appeared impossible to arrange for any systematic Soviet-United States discussion of Far Eastern matters. Early in February Marshal Stalin told Ambassador Harriman that the United States would be permitted to operate aircraft from Siberia after the Soviet Union declared war on Japan. No opportunity was offered, however, for consultation with Soviet Air Force officers about the details of such an undertaking. In April the Soviet Government requested delivery of 500 heavy bombers with which to develop its own strategic air force, but negotiations on this matter also failed to make progress. Then in an interview with Marshal Stalin on June 10, 1944, Ambassador Harriman encountered a more encouraging attitude.

> In my talk with Stalin yesterday evening (10 June) we discussed in considerable detail the participation of the Soviet Union in the Japanese war. . . . I brought up the question of the basing of our bombers in the Soviet Far East and stated that you and our Chiefs of Staff believed no time should be lost in coming to an agreement and in working out the necessary plans for supplies. He agreed that this was desirable and stressed the necessity for the utmost secrecy. He added that it was not only a question of the Air Force but that the ground operations and Naval operations should be considered as well. He explained that there were now 12 airfields some of them new in the area between Vladivostok and Sovetskaya Gavan suitable for heavy bombers and that we could expect to receive the use of six or seven of them. More with metaled strips could be provided if necessary.

U. S. BOMBERS FOR REDS—

> It is evident that since my talk with Stalin in February the Soviets have gone ahead with the construction of heavy bomber bases in the Far East using I believe the experience gained from us in preparation of the fields for shuttle bombing. Stalin agreed that it would be desirable to start promptly in building up reserves of gasoline and other supplies using the Pacific route as the Japanese no longer interfered. . . .
>
> Stalin brought up the question of the supplying by us of heavy bombers for the Red Air Force. I explained that General Arnold was ready to begin to deliver them beginning in the autumn after agreement had been reached regarding our operation from Soviet Far Eastern bases. . . .

* * *

Despite these hopeful preparations, no meeting of importance occurred in Moscow until September 23, 1944, when Mr. Harriman and the British Ambassador went to inform Marshal Stalin of the results of the Quebec Conference. The Marshal's remarks on that occasion again opened the prospect of United States-Soviet staff conversations regarding the war with Japan:

> The British Ambassador and I had a most satisfactory talk with Stalin this evening. We handed him your and the Prime Minister's message regarding the Quebec decisions. . . . In discussing the Pacific war I explained that the plans referred to in your message covered the use of British and American resources. Stalin inquired whether we wished to bring Japan to her knees without Russian assistance or whether you still wished as you suggested in Teheran Russian participation.
>
> The British Ambassador and I both assured him that

. . . "Joint Chiefs stressed need for information from Soviet"

Russian participation was desired but that no plans could be made for the use of Soviet resources until Marshal Stalin was ready to initiate discussions. He then stated that there was no change in his attitude as he had expressed it to you at Teheran. Russia is ready to participate in the war against Japan after Germany is defeated. . . . It seems clear that we will get greater cooperation from him if we will suggest the operations that we would like the Russians to undertake rather than wait their proposals. . . .

° ° °

In response to Marshal Stalin's request for a specific role in the Pacific war, the Joint Chiefs of Staff approved on September 28, with a few minor changes, a list of objectives submitted by General Deane:

2. The broad strategic concept of Russian participation should be aimed at the following objectives in order of priority:

a. Securing the Trans-Siberian Railroad and the Vladivostok Peninsula.

b. Setting up American and Soviet Strategic Air Forces for operations against Japan from the Maritime Provinces and the Kamchatka Peninsula.

c. Interdiction of lines of communications between Japan proper and the Asiatic mainland.

d. Destroy Japanese ground and air forces in Manchuria.

e. Securing the Pacific supply route . . .

° ° °

Again, the military staff conversations did not materialize, but the visit of Prime Minister Churchill to Moscow in October 1944 provided a new opportunity for the discussion of Soviet participation in the war against Japan. . . .

At these conferences, Marshal Stalin accepted the list of missions for his Far Eastern forces suggested by the Joint Chiefs of Staff, indicated that the Soviet Union would open hostilities against the Japanese about three months after the end of the European war, and accepted the United States requests for air bases in the Maritime Provinces and Kamchatka, the use of Petropavlovsk as a naval base, and the dispatch of small United States survey parties to these areas. At the same time, however, the Soviet leader presented a bill of requirements for equipment, food, and fuel amounting to 860,000 tons of dry cargo and 206,000 tons of liquid cargo for the buildup of reserve stocks in Siberia (Operation MILEPOST). He welcomed the suggestion that a group of United States and Soviet staff officers proceed at once with detailed planning for these undertakings.

The promised staff meetings again failed to occur. . . . On December 14, however, Marshal Stalin spelled out to Ambassador Harriman the political requirements for Soviet participation, including the annexation of the Kuriles and lower Sakhalin, the restoration of former Russian holdings in Manchuria, and the recognition of the *status quo* in Outer Mongolia. Meanwhile, a major setback was experienced on the military level when General Deane was informed by General A. I. Antonov on December 16 that the United States request for air bases in the Maritime Provinces could not be granted, since all the available facilities would be needed by the Soviet forces. . . .

Reexamination of Soviet Participation

However halting the progress in Moscow, planning for the final stage of the Pacific war had to continue in Washington since the campaigns of the fall of 1944 were bringing United States forces to the edge of Japan's inner zone of defense. Among the planning papers considered by the Joint Chiefs of Staff was a study of Soviet participation in the war against Japan, submitted in November.

The paper pointed out that Soviet participation, while desirable to hasten the unconditional surrender of Japan, was not essential. . . .

° ° °

The paper recognized that the self interest of the Soviet Union would inevitably bring her into the Pacific war, but suggested that the timing might be influenced by United States logistical and operational support:

. . . In any case, Russia will probably enter the war if and when either of two major conditions is satisfied:

a. Her strength in Siberia is sufficient to offer prospects of success in operations against the Kwantung army.

b. Our position in the Pacific is such as to indicate speedy and conclusive defeat of Japan.

° ° °

While the maximum advantage to us results from Russian entry prior to our invasion of Japan, the reverse is true from the Russian viewpoint. The maximum military advantage to them will obtain if they attack after our initial lodgment has been effected and Japanese forces in Manchuria have begun to move to reinforce Japan.

"We Desire Russian Entry"

In conclusion, the paper suggested guidelines for United States military policy in regard to Soviet participation:

32. It is concluded that:

Basic principles regarding our policy toward Russia's entry into the war against Japan are:

a. We desire Russian entry at the earliest possible date consistent with her ability to engage in offensive operations and are prepared to offer the maximum support possible without prejudice to our main effort against Japan.

b. We consider that the mission of Russian Far Eastern Forces should be to conduct an all-out offensive against Manchuria to force the commitment of Japanese forces and resources in North China and Manchuria that might otherwise be employed in the defense of Japan, to conduct intensive air operations against Japan proper and to interdict lines of communication between Japan and the Mainland of Asia.

While the basic principles found general approval, the various courses of action open to the United States in support of these principles were subject to considerable further study in December 1944 and January 1945. Realistic evaluations of future operations in the Kuriles, Kamchatka, or the Maritime Provinces proved impossible to make because of lack of information on Soviet intentions and capabilities.

For this reason, the final military survey of the problem prior to the Yalta Conference, approved by the Joint Chiefs of Staff on January 24, 1945, stressed the urgent need for additional information from the Soviet Union and cautioned that all United States actions in support of the

(Continued on page 74)

The day Zenith refused to fill thousands of orders

Back in early 1953, Zenith was about to market a new and revolutionary hearing aid which featured transistors instead of bulky vacuum tubes. These tiny transistors—the "powerhouses" of electronics—slashed battery operating costs, required only one battery instead of two, and promised a much longer life.

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. . . "MacArthur: 'U. S. must insist that Russia pay her way'"

Soviets in the Far East should be closely evaluated in the light of their overall contribution to the early defeat of Japan.

• • •

V. YALTA TO POTSDAM, 1945

The Yalta Conference

When the Yalta Conference opened on February 4, 1945, the United States planners had previously been given assurance, specifically in November 1943 and in September and October 1944, that the Soviet Union would enter the war against Japan approximately three months after the defeat of Germany. What remained to be settled at the conference were first, the political terms for Soviet intervention, and second, the military problems involved in coordinating Soviet operations with United States plans.

The first was a matter for the political chiefs and was settled on February 8, 1945, in a conference between the President and Marshal Stalin attended by Ambassador Harriman, Mr. Molotov, and two interpreters. The terms agreed upon were essentially the same as those outlined by Marshal Stalin to Ambassador Harriman on December 15, 1944: The preservation of the *status quo* in Outer Mongolia, the restoration of the former rights of Russia in Manchuria, the internationalization of Dairen, the return of southern Sakhalin, and the annexation of the Kuriles. . . .

• • •

From the overall military point of view, the Yalta Conference confirmed the plans previously developed by the Joint Chiefs of Staff to force the unconditional surrender of Japan. . . .

• • •

The commanders in the Far East and Pacific were informed of the military results of the Yalta Conference, especially as they bore on the war against Japan, by a group of Washington planning officers who left the Crimea on February 10.

The discussions with General MacArthur concerned Iwo Jima, the Philippines campaign, command in the Pacific, oil in Borneo, ending Japanese resistance in the Southwest Pacific, plans for turning over to the British responsibility for operations in the Netherlands East Indies and New Guinea, and the entry of the Soviet Union into the Pacific war. As for the final operations against Japan, Brig. Gen. George A. Lincoln, a member of the visiting group of Washington planning officers, reported his conversation with General MacArthur on February 25, 1945, as follows:

> Concerning overall plan General MacArthur considers it essential that maximum number of Jap divisions be engaged and pinned down on Asiatic mainland, before United States forces strike Japan proper.

After his return to Washington, General Lincoln supplemented this message with a memorandum for General Marshall, dated March 8, 1945, including the following paragraph:

> As to Russia, General MacArthur pointed out that politically they want a warm water port which would be Port Arthur. He considered that it would be impracticable to deny them such a port because of their great military power. Therefore, it was only right they should share the cost in blood in defeating Japan. From the military standpoint we should make every effort to get Russia into the Japanese war before we go into Japan, otherwise we will take the impact of the Jap divisions and reap the losses, while the Russians in due time advance into an area free of major resistance. General MacArthur stated he considered the President should start putting pressure on the Russians now.*

Review of Pacific Strategy

Despite the Yalta promises, increased Soviet cooperation in planning United States-Soviet strategy in the Pacific did not materialize during the months after the Yalta conference. . . .

. . . In addition to these discouraging developments, serious difficulties with the Soviet Union were encountered in Europe where complications developed regarding the government of liberated countries in eastern Europe, surrender negotiations for German forces in Italy, the repatriation of United States prisoners liberated by the Soviets, and the coordination of allied land and air operations.

It was in this atmosphere that the Joint Chiefs of Staff reviewed in April the overall plan for the unconditional surrender of Japan and reconsidered the value of the Soviet contribution to this objective.

The review of the overall strategic plan turned on the question of whether or not an invasion of the Japanese home islands

(Continued on page 76)

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*Informal Memo, G.A.L. [General Lincoln] for CofS [Chiefs of Staff], 8 Mar 45. Col. Paul L. Freeman, Jr., an Operations Division officer of the War Department visiting the Southwest Pacific Area during the campaign in the Philippines, reported similar opinions by General MacArthur in a letter to General Marshall, 13 Feb 45, sub: Summary of an Hour and a Half Conversation with General MacArthur:

> General MacArthur then elaborated on his concept of operations for the ultimate defeat of Japan. He was in thorough agreement that the only means of defeating Japan was by the invasion of the industrial heart of Japan. He stressed the potency of the Japanese army and stated that when we entered Japan we must be prepared to reckon with the Japanese army in far greater strength than is now there.
>
> He was apprehensive as to the possibility of the movement of the bulk of the Manchurian army and other Japanese forces from China to the defense of the homeland. He emphatically stated that we must not invade Japan proper unless the Russian army is previously committed to action in Manchuria. He said that this was essential, and that it should be done without the three months' delay upon the conclusion of the defeat of Germany as intimated by Marshal Stalin to the President.
>
> He said that it was only necessary for action to commence in Manchuria to contain that force of Japanese in order to make possible our invasion of Japan and the rapid conclusion of the war. He understands Russia's aims; that they would want all of Manchuria, Korea and possibly part of North China. This seizure of territory was inevitable; but the United States must insist that Russia pay her way by invading Manchuria at the earliest possible date after the defeat of Germany.
>
> **a.** He understood that the Navy still favored a plan whereby they would ring Japan proper with air bases and naval bases and eventually blockade and bombard them into submission. He said that this never would be effective. (I informed him that that was the opinion of the JCS and was agreed upon at Sextant [Code name for Cairo Conference, November-December 1943].)
>
> **b.** General MacArthur agreed that the Tokyo Plain was the proper place to invade Japan and he was fully conversant with the restrictions of seasons. He believed it would be a mistake to make a prior landing in Japan, either in Kyushu or Hokkaido. He felt that proper timing, in conjunction with a move by the Russians and the strategic surprise to be gained, would be a far greater advantage in landing initially in the heart of Japan whereby the enemy force could be split, rather than to tip our hand by first landing at some other remote part of the Japanese islands.

(Advertisement)

OIL AND THE RAILROADS:

How Free Men Work Together

by F. G. GURLEY

President of the Santa Fe Railroad

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. . . "Nimitz, too, approved plan for invasion November 1"

was actually necessary. The views of the field commanders were sought for this review, especially since on April 3 the Joint Chiefs of Staff had reached after long consideration a decision on the command arrangements for the final phases of the Pacific war.

General MacArthur was named Commander-in-Chief, U. S. Army Forces in the Pacific, and all Army resources in the theater were placed under his command. Admiral Nimitz was assigned command of all naval forces in the Pacific theater. The Joint Chiefs of Staff were to exercise strategic direction over the theater, normally charging General MacArthur with responsibility for land campaigns and Admiral Nimitz for naval campaigns. Command of the strategic bombing effort was retained by General Henry H. Arnold under the direct control of the Joint Chiefs of Staff.

On Strategy, "a Difference"

With this decision, the field commanders assumed official responsibility for making operational plans in accordance with their assigned missions. On April 12, General Marshall cabled General MacArthur:

> Within the next few days it may be necessary for me to discuss with the other Chiefs of Staff, the question of our basic strategy in the Western Pacific. There is an honest difference of opinion on this problem.
>
> One school of thought is that much more preparation is necessary than is possible with target dates of 1 December and 1 March for the main operations. Hence a campaign of air-sea blockade and bombardment should be adopted which involves the Chusan operation, and perhaps others such as a lodgment on Shantung or Korea or the islands in the Tsushima Strait area. The points made for this scheme include the high casualties incident to landings on Japan proper. . . .
>
> The other school of thought believes in driving straight into Japan proper as soon as the forces can be mounted from the Philippines and landbased air established in the Ryukyus. This school of thought considers that Jap air and sea power will be weakened sufficiently by the end of this year to permit invasion. . . . Russia's entry into the war would be a prerequisite to a landing in the Japanese homeland in December.
>
> ° ° °
>
> Will you let me have your thoughts on this problem for use within the next few days in possible discussions.

General MacArthur in his reply on April 20, analyzed the strategic problem at length:

> **1.** Analysis of strategy in western Pacific indicates that there are three general courses of action open to us:
>
> **Course 1.** Encircle Japan by further expansion to the westward, deploying maximum air forces preparatory to attacks on Kyushu and Honshu in succession or directly against Honshu.
>
> **Course 2.** Encircle Japan by further expansion to the westward with a view to its complete isolation and endeavor to bomb Japan into submission without effecting landings in homeland.
>
> **Course 3.** Attack Kyushu and install air forces to cover a decisive assault on Honshu.
>
> **2.** Course 1 would provide greater air power for final assault and would attain a high degree of neutralization prior to attack; . . . It would . . . prevent an attack on the main Japanese Islands until after redeployment from Europe; might commit the United States to heavy involvement on the mainland of China; unless Kyushu can be bypassed, might require a postponement of the Honshu operation until 1947; . . . would result in greater loss of life.
>
> **3.** Course 2 if successful would be at a minimum cost of life but would prolong the war indefinitely; . . .
>
> **4.** Course 3 would attain neutralization by establishing air power at the closest practicable distance from the final objective in the Japanese Islands; would permit application of full power of our combined resources, ground, naval and air, on the decisive objective; . . . would place maximum pressure of our combined forces upon the enemy, which might well force his surrender earlier than anticipated . . .
>
> **5.** Analysis of the advantages and disadvantages of the possible courses of action clearly indicates that course three is the preferable plan. . . .
>
> ° ° °

"Resources Are Adequate"

> **6.** I am of the opinion that the ground, naval, air and logistic resources in the Pacific are adequate to carry out course three. The Japanese fleet has been reduced to practical impotency. The Japanese Air Force has been reduced to a line of action which involves uncoordinated, suicidal attacks against our forces, employing all types of planes, including trainers. . . . Logistic considerations present the most difficult problem. . . . It is estimated that some 36,000 additional [hospital] beds not now available in the Pacific will be required; not all of them, however, prior to D day. . . .
>
> **7.** From the standpoint of weather it appears that November would be the best month to initiate the operation.

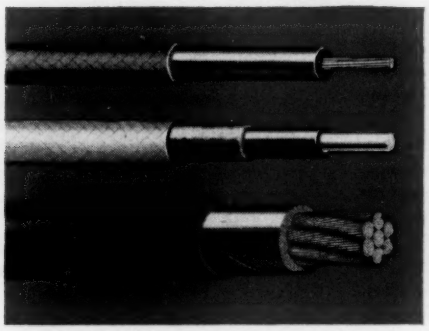
Admiral Nimitz's comments were also requested. He, too, approved the plan for the invasion of Kyushu and recommended November 1 as the target date:

> **2.** Until we are able to invade Japan with assurance of success we should continue to encircle and isolate by occupying positions which will cut off Japan from China and Korea and from which bombing of Japan can be intensified. Movement to the China coast will have the additional effect of ensuring Russia's entry into the war. Movement to positions which control the Korea Strait will have the additional effect of opening an all-season sea route to Russia.
>
> **3.** However, I am in agreement with the invasion of Kyusho [sic] at the earliest date as the way to achieve decisive victory. . . .
>
> ° ° °
>
> **8.** We must be prepared to accept heavy casualties whenever we invade Japan. Wherever our best troops have met the Japanese Army on the defensive in prepared defensive positions it has been a competent fighting force. . . .
>
> ° ° °

On April 24, the overall Pacific strategy was reviewed for the Joint Chiefs of Staff. It was pointed out that the early invasion of the Japanese home islands represented the most suitable strategy to accomplish unconditional surrender. So-

(Continued on page 78)

Magic on the move



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"Stimson: 'Concessions made at Yalta are within the military power of Russia to obtain' " . . .

viet entry into the war was no longer considered necessary to make this invasion feasible.

Editors' note: This review of strategy resulted in final plans for the defeat of Japan, described in a separate article beginning on page 38. Excerpts from the review follow:

° ° °

10. Studies and estimates by joint agencies . . . have shown that we should have available in the Pacific by December 1945, sufficient forces and resources to initiate an invasion campaign on the scale of OLYMPIC-CORONET (36 divisions and 1,523,000 men, total).*

° ° °

16. It is also for consideration whether entry of Russia into the war against Japan will require early operations by United States forces on the Asiatic mainland.

Red Entry "Not Necessary"

a. Because of our estimated ability to interdict Japanese movement between the Asiatic mainland and Japan proper, early Russian entry into the war against Japan and attendant containing of the Kwantung army is no longer necessary to make invasion feasible.

° ° °

17. In view of all factors, we should follow the strategy of early invasion . . .

° ° °

. . . On May 25, the directive for the Kyushu operation was issued to General MacArthur, Admiral Nimitz, and General Arnold, setting the target date at November 1, 1945 . . .

While these military reviews were taking place, similar discussions were being held on the political level. The question of Soviet participation in the Pacific war was specifically raised on May 12 by Acting Secretary of State Joseph C. Grew in a memorandum for Secretary of War Stimson and Secretary of the Navy Forrestal.

°. ° °

Secretary Stimson's reply on May 21 summarized the current military evaluation of the Soviet role in the Pacific war:

° ° °

1. The War Department considers that Russian entry into the war against Japan will be decided by the Russians on their own military and political basis with little regard to any political action taken by the United States. . . . Russian entry will have a profound military effect in that almost certainly it will materially shorten the war and thus save American lives.

° ° °

2. The concessions to Russia on Far Eastern matters which were made at Yalta are generally matters which are within the military power of Russia to obtain regardless of U. S. military action short of war. . . .

° ° °

. . . From the military point of view it would be desirable to have a complete understanding and agreement with the Russians concerning the Far East. If it is believed that the reconsideration of the Yalta agreement will assist such a complete understanding and agreement, then the War Department would favor it, but it is not believed that much good will come of a rediscussion at this time.

3. With regard to Soviet participation in the military occupation of the Japanese homeland, the War Department considers this to be a matter for political decision. . . . our experiences with the Russians in the occupation of Germany may in the future lead to considerations which would point to the wisdom of exclusive occupation by our own forces. . . .

More Problems in China

. . . If the present schism in China continues and, at the same time, Russian forces advance to areas giving them close contact with the Chinese Communists, our present problems in China will become more complicated, unless a prior satisfactory understanding has been reached with the Russians. However, as a preliminary, some sort of understanding between the Chinese Communists and the Generalissimo seems to be in order as of first importance.

° ° °

Secretary Forrestal wrote to Mr. Grew on May 21 that he was in accord with the views expressed in Secretary Stimson's letter of the same date.

Preparations for the Potsdam Conference

The end of hostilities in Europe on May 8, 1945, pointed up the urgency of reaching settlements with the Soviet

*OLYMPIC was the code name for the planned assault on Kyushu and CORONET for the invasion of the Tokyo Plain.

. . . "Stalin requested a share in occupation of Japan"

Union on postwar problems. For this reason Prime Minister Churchill and President Truman agreed to seek a meeting with Marshal Stalin at an early date. . . .

In preparation for this conference, Mr. Harry Hopkins was sent to Moscow, where on May 28, at his third meeting with Marshal Stalin, he discussed the Far Eastern situation. . . .:

> Harriman and I saw Stalin and Molotov for the third time last night. Following are the important results:
>
> 1. The Soviet Army will be properly deployed on the Manchurian positions by August 8th.
>
> ° ° °
>
> 4. He left no doubt in our mind that he intends to attack during August. . . .
>
> ° ° °
>
> Marshal Stalin also . . . requested a share in the eventual occupation of Japan.

° ° °

On June 18, the Secretaries of War and Navy, Assistant Secretary of War John J. McCloy, and the Joint Chiefs of Staff met with the President to discuss allied strategy for the unconditional surrender of Japan:

° ° °

GENERAL MARSHALL . . . read, as an expression of his views, the following digest of a memorandum prepared by the Joint Chiefs of Staff for presentation to the President (J.C.S. 1388):

° ° °

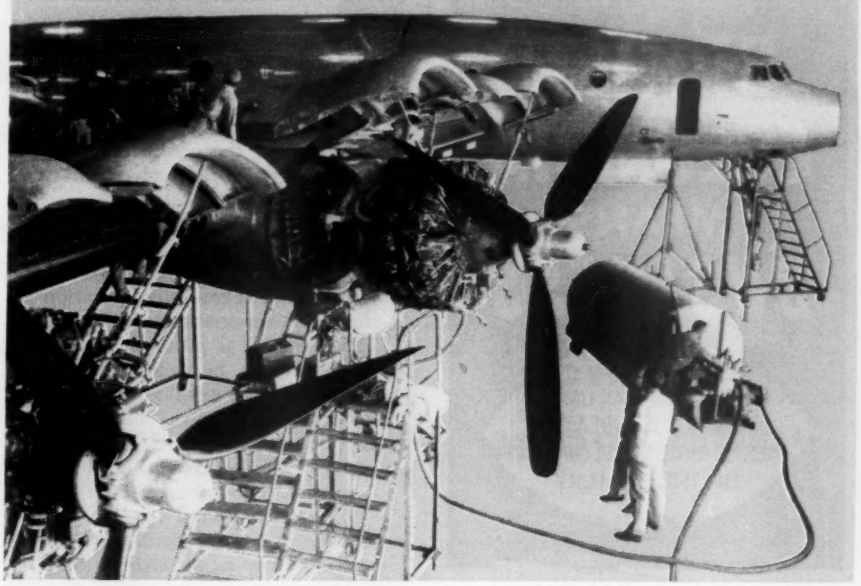
> *Casualties.* Our experience in the Pacific war is so diverse as to casualties that it is considered wrong to give any estimate in numbers. . . . Points on the optimistic side of the Kyushu operation are that: General MacArthur has not yet accepted responsibility for going ashore where there would be disproportionate casualties. . . .
>
> ° ° °
>
> The record of General MacArthur's operations from 1 March 1944 through 1 May 1945 shows 13,742 U. S. killed compared to 310,165 Japanese killed, or a ratio of 22 to 1.
>
> ° ° °
>
> An important point about Russian participation in the war is that the impact of Russian entry on the already hopeless Japanese may well be the decisive action levering them into capitulation at that time or shortly thereafter if we land in Japan.

° ° °

GENERAL MARSHALL said that he had asked General MacArthur's opinion

(Continued on page 80)

● TEMCO's complete service includes heavy maintenance work as well as production of aircraft components. Here a Navy R7V-1 Super Constellation undergoes overhaul at the Dallas plant.



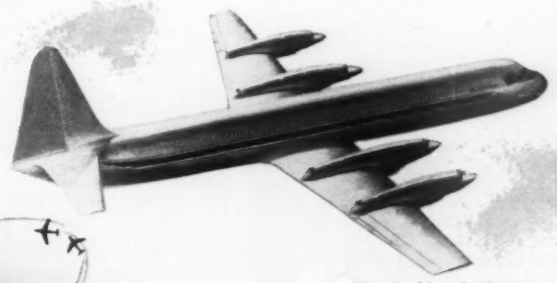
Temco is COMPLETE

Prime contractors will find at TEMCO a complete service to meet every requirement, from design to finished product.

One example is TEMCO's recent contract for work on the Lockheed Electra, first U. S.-designed turboprop airliner. TEMCO's "package" service on the Electra will include engineering . . . tooling . . . and manufacture of ailerons and wing-flaps.

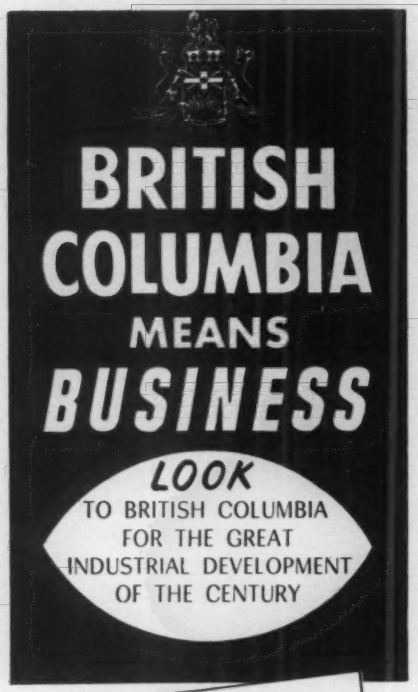
Thus TEMCO joins Lockheed in a pioneering step in commercial aircraft production to help meet more swiftly America's airline needs.

By offering its integrated skills to civilian as well as military aircraft builders, TEMCO widens greatly the scope of its growing operations. And this *complete* service also strengthens TEMCO's contribution to preserving the peace by keeping America strong — **the industry's Number One Job.**



The Lockheed Electra.

TEMCO AIRCRAFT CORPORATION DALLAS, TEXAS



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HON. RALPH CHETWYND, MINISTER — T. L. STURGESS, DEPUTY MINISTER

. . . "Marshall felt that air power alone was not sufficient"

on the proposed operation and had received from him the following telegram, which General Marshall then read:

> "I believe the operation presents less hazards of excessive loss than any other that has been suggested and that its decisive effect will eventually save lives by eliminating wasteful operations of nondecisive character. I regard the operation as the most economical one in effort and lives that is possible. In this respect it must be remembered that the several preceding months will involve practically no losses in ground troops and that sooner or later a decisive ground attack must be made. The hazard and loss will be greatly lessened if an attack is launched from Siberia sufficiently ahead of our target date to commit the enemy to major combat. I most earnestly recommend no change in OLYMPIC. Additional subsidiary attacks will simply build up our final total casualties."

GENERAL MARSHALL said that it was his personal view that the operation against Kyushu was the only course to pursue. He felt that air power alone was not sufficient to put the Japanese out of the war. It was unable alone to put the Germans out. General Eaker and General Eisenhower both agreed to this. . . .

° ° °

Potsdam Conference and Surrender of Japan

The Potsdam Conference, July 17 to August 2, 1945, developed nothing new on the military side. . . . On July 24, the President and the Prime Minister approved the report of the Combined Chiefs of Staff for the conduct of the war against Japan.

° ° °

. . . the Combined Chiefs of Staff suggested, and the President and the Prime Minister agreed that:

> The following additional tasks will be undertaken in order to assist in the execution of the over-all strategic concept:
>
> **a.** Encourage Russian entry into the war against Japan. Provide such aid to her warmaking capacity as may be necessary and practicable in connection therewith.

° ° °

While the military discussions at Potsdam confirmed the strategy of unremitting pressure to force the early unconditional surrender of Japan, this pressure was supplemented on the political level by the issuance on July 26 of the Potsdam Proclamation, which spelled out the terms involved in unconditional surrender. . . .

The Proclamation warned that "the full application of our military power, backed by our resolve, will mean the inevitable and complete destruction of the Japanese armed forces and just as inevitably the utter devastation of the Japanese homeland." Such devastation was made more likely by the successful atomic explosion at Alamogordo, New Mexico, on July 16, 1945. . . . Marshal Stalin was told about the existence of a new and possibly decisive weapon on July 24. Orders were issued on July 25 to the United States Army Strategic Air Forces to prepare for dropping an atomic bomb after about August 3 and were confirmed by the President on his way back from Potsdam.

As Victory Neared

On July 29, the Japanese radio broadcast the news that the Japanese Government would ignore the Potsdam Proclamation. . . . On July 28, Marshal Stalin informed his allies that the Soviet Government had received a second Japanese proposal to send a delegation to Moscow to discuss means to bring the war to an end and that, although this proposal was more definite than the one of July 13, it would receive a negative reply.

° ° °

. . . On July 21, the Joint Chiefs of Staff informed General MacArthur and Admiral Nimitz that it was believed that U.S.S.R. entry into the Pacific war might take place on August 15 . . .

° ° °

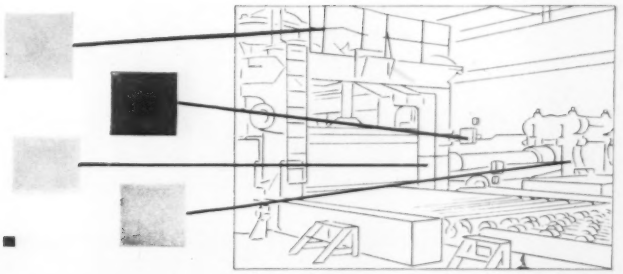
The Potsdam Conference ended on August 2. Four days later, on August 6, the first atomic bomb was dropped on Hiroshima, followed on August 9 by a second bomb on Nagasaki. On August 8 the Japanese Ambassador in Moscow was informed by Mr. Molotov that the Soviet Union would consider herself at war with Japan from August 9. . . .

. . . The Japanese Government finally accepted . . . after the personal intervention of the Emperor, the Potsdam Proclamation . . . on August 14.

On the same day military operations were suspended and General MacArthur was appointed Supreme Allied Commander.

For a report on General MacArthur's relation to the Yalta concessions, see page 31. U. S. plans for invading Japan in 1945, page 38.

By using
the right colors
in the right places...



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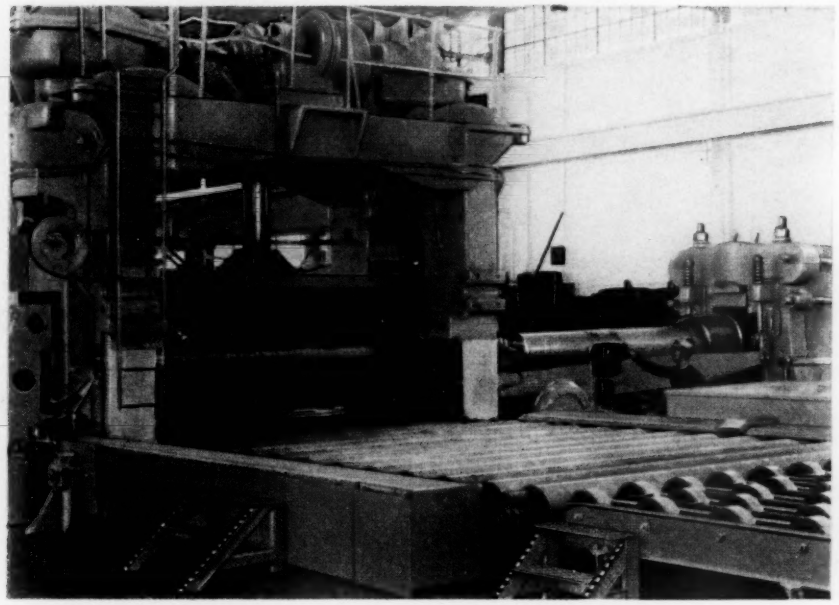

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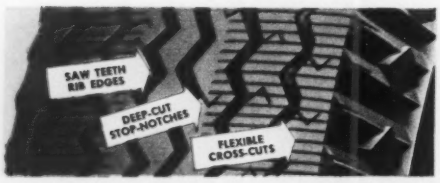
Water-slicked hill test

GOODYEAR'S NEW 3-T NYL

We wet down this treacherously steep hill and told both drivers to hit this slippery stretch at 25 m.p.h. When they crossed the signal marker together, both drivers slammed on the brakes. The blue convertible equipped with last year's premium tires with conventional treads skidded dangerously to a stop 40 feet from the marker. The red convert-

THERE'S A BIG DIFFERENCE IN TIRE TREADS! ONLY GOODYEAR HAS A TRIPLE COMBINATION FOR GREATER SAFETY!



In this great new Nylon Cord tubeless tire, Goodyear has combined (1) saw teeth rib edges with (2) deep-cut Stop-Notches and (3) flexible cross-cuts . . .

This means that more than 8,000 edges are ready to give you swifter, safer stops and help protect you, too, from dangerous slips and skids.

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MORE PEOPLE RIDE ON GOODYEAR TIRES THAN ON ANY OTHER KIND!

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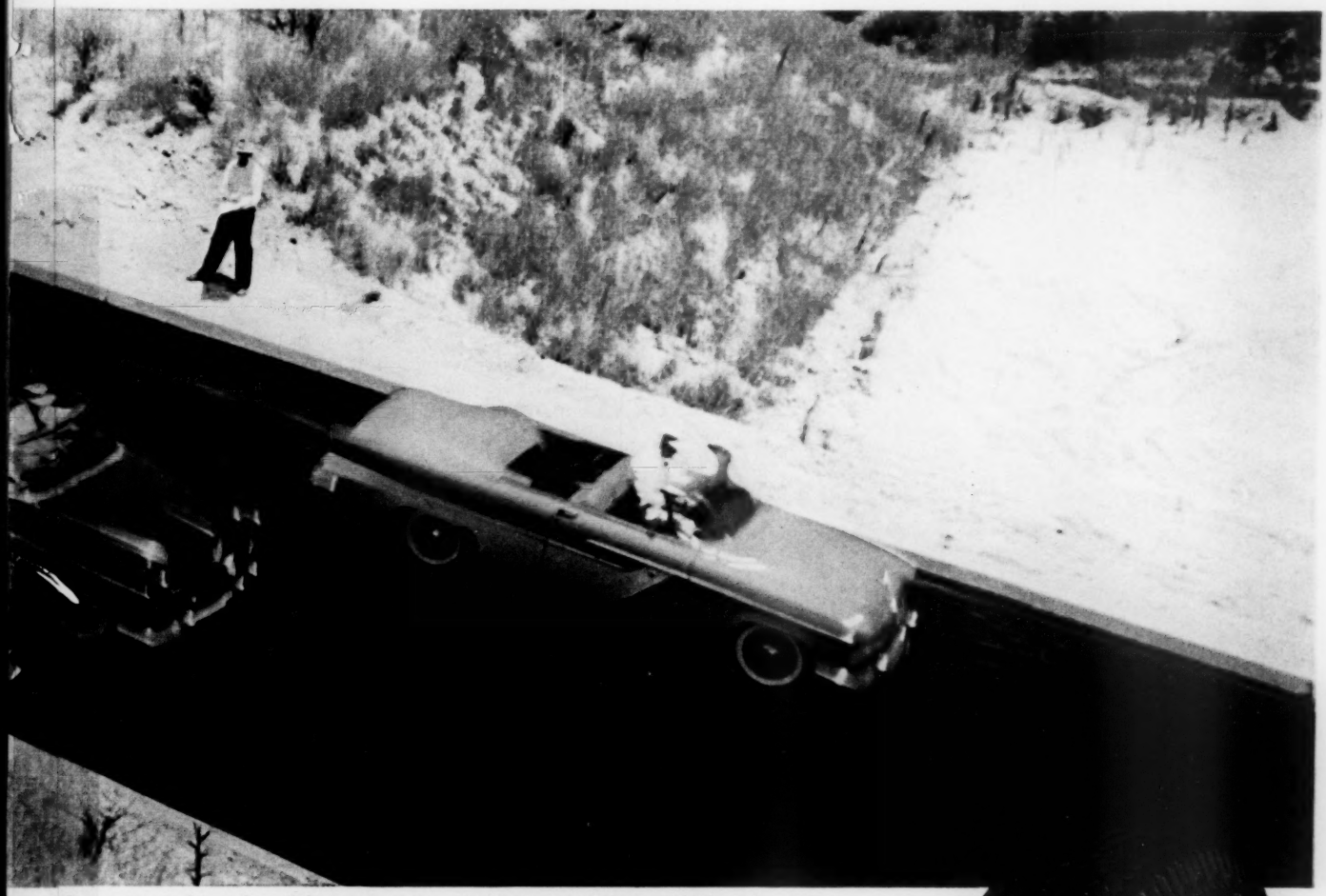
NEW 3-T NYLON CORD TUBELESS TIRES BY GO

Look for this sign; there's a Goodyear dealer near you.

proves amazing traction of
ON CORD TUBELESS TIRES!



ible—same make and model—equipped with Goodyear's new 3-T Nylon Cord tubeless tires needed only 28 feet to brake to a swift, straightline stop. Dramatic proof of the kind of protection you should have on your car!

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Nylon, pound-for-pound, is stronger than steel. And because of Goodyear's exclusive and patented 3-T process, Goodyear Nylon Cord has withstood the crumpling blows of a seventy-ton pile driver, almost a million smashing, crashing blows on railroad ties.

See this stronger, safer tubeless tire today. It will fit your present wheels, and your Goodyear dealer will buy all the unused mileage in your present tires. Goodyear, Akron 16, Ohio.

This great new tread is also available in a 3-T Nylon Cord tire that uses a tube.

GOODYEAR

This ultra-modern, 3-T Nylon Cord tubeless tire costs only a few dollars more than a standard tubeless tire.

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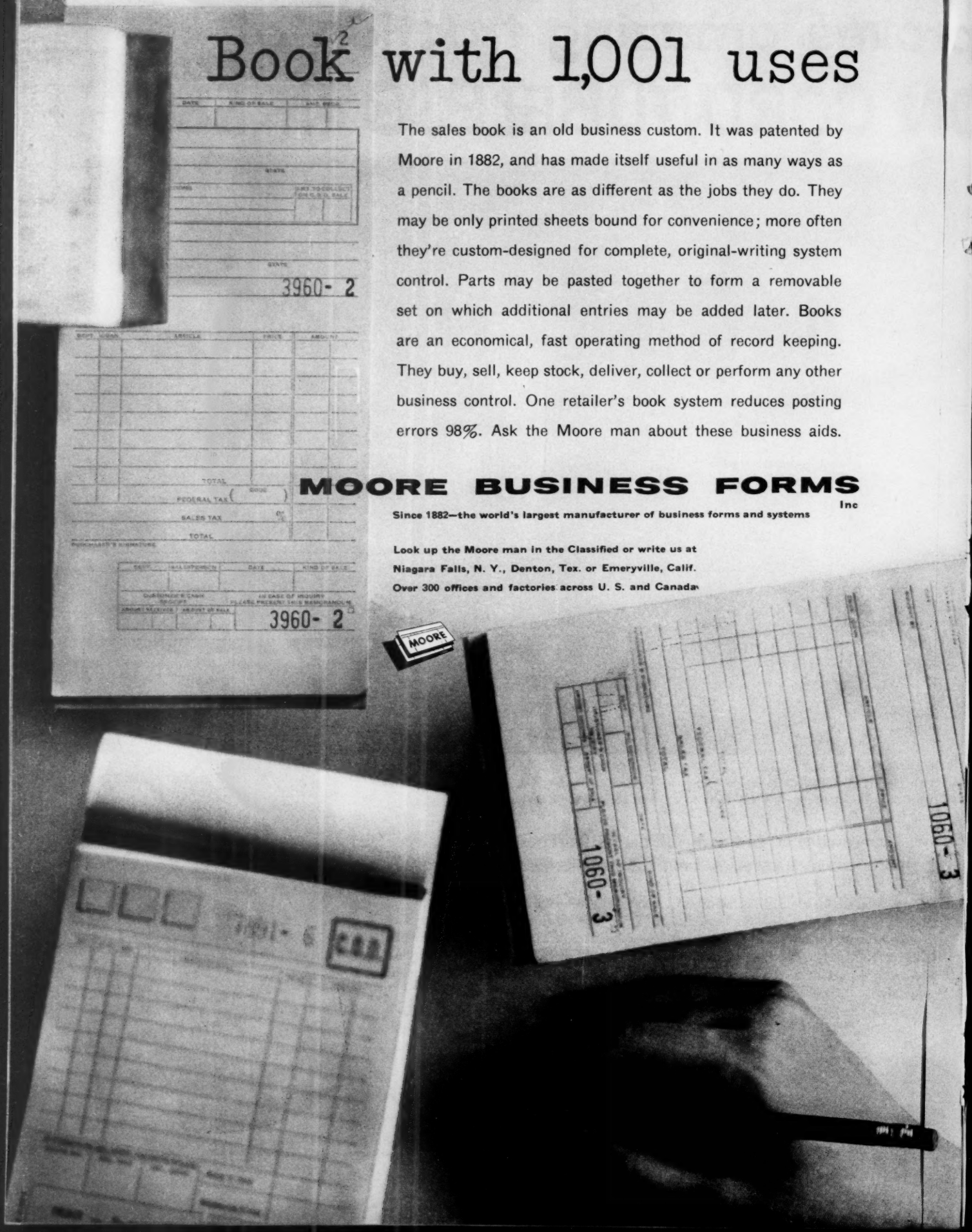


Vice President Predicts:

BOOM TO CONTINUE FOR BUSINESS AND LABOR

Now you get a preview of how the Republicans, with or without Mr. Eisenhower, are planning to base their 1956 campaign.

They want to show the American wage earner that he never had it better.

The tip-off comes in a speech by Vice President Richard Nixon.

Mr. Nixon says the great American boom today stems from "dynamic conservatism."

By contrast, he contends, New Deal and "Fair Deal" programs are shown up as not too high, but too low.

The future? Bright, Mr. Nixon says, if the U. S. sticks to solid economic policies.

Following is full text of an address by Vice President Richard M. Nixon at the annual meeting of the New York group of the Investment Bankers Association of America, New York, Oct. 19, 1955:

In just two months, the President will have completed his third year in office. What have been the major accomplishments during that period?

I would imagine that most people would consider the leadership of the Eisenhower Administration in the field of international relations as its greatest contribution.

While there may be some disagreements on this issue, there is little doubt but that an overwhelming majority of the American people approve the diplomatic and military policies which got the United States out of one war, kept us out of others, and which have helped to raise the hopes for peace among the people of the world higher than they have been at any time since the end of World War II.

There are others who might contend that no accomplishment of the Administration is more significant than bringing to Washington the leadership which has maintained a standard of honesty, integrity and efficiency in Government seldom, if ever, exceeded in our nation's history.

But tonight I wish to discuss policies which may not be as spectacular in the public mind and which are more controversial, but which are just as important as those I have named.

I speak of the economic policies of the Administration and the philosophy behind them.

May I emphasize at the outset that, while these policies have been put into effect by a Republican Administration, they are not partisan in character? The conservative economic philosophy of the Eisenhower Administration is supported by millions of Democrats as well as Republicans, and we are proud of the fact that Democratic leaders, like Senator Byrd [of Virginia], have given such splendid support to the President in this field.

To see what these policies are, it is first necessary to review how and why they were put into effect. In January of 1953 no decision was more difficult nor more important than the one confronting the President and his Cabinet in the field of economic policy. Here is what we found:

- Taxes and spending were at an all-time high.
- If we had continued the spending and tax programs of the previous Administration, 40 billion dollars would have been added to the national debt in four years.
- Controls shackled the economy and our predecessors had urged that more should be added.

In various messages to the Congress and in public statements, officials of the previous Administration had advocated:

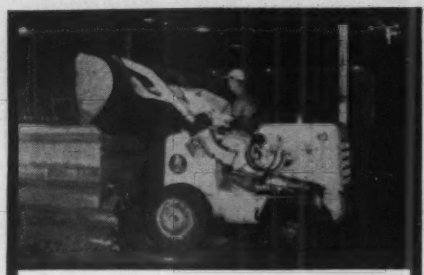
- The Brannan farm plan which would have socialized agriculture.
- A compulsory health-insurance program which would have socialized the medical profession.
- An expansion of the federal public-housing program into areas where private builders were doing an adequate job.
- An aid-to-education program which would have federalized the public-school system.
- A program of development of the nation's power resources, including that of the atom, which would have inevitably nationalized the production and distribution of power in the United States.

The question we had to answer was: Should we continue the program of our predecessors or should we turn to more conservative policies? This was a grave question in principle, and it was a difficult question politically.

Whether we like it or not, we must recognize that the faith of millions of Americans in conservative economic policies had been terribly shaken by the great depression of the '30s. They believed that conservative policies had caused the depression. They were convinced that those policies could not cure it. And they feared that a return to such policies might bring on another depression.

The problem was debated in the Cabinet. Finally a decision was made. In essence, here is what it was: We decided to give the free American economic system a chance to work. And we based that decision on our faith that conservative policies were right in principle and that if they were right in

(Continued on page 86)



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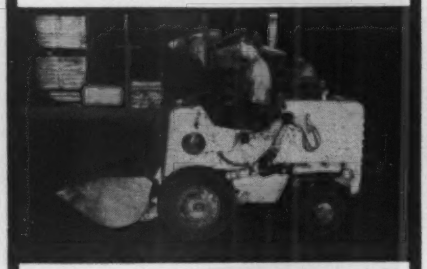

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"Any Administration whose policies are not in the interest of the 65 million wage earners will be defeated" . . .

principle they would in the end prove right politically.

You know what happened: We removed controls from the economy. We got the Government out of businesses rather than putting it in. We cut spending. We cut taxes. We adopted fiscal policies designed to encourage the initiative, the dynamism and the ingenuity of the American people.

"Some Uneasy Moments"

Looking back, I will have to admit that we had some uneasy moments. When the economy was in a period of adjustment after the end of the Korean war, there was strong pressure from some quarters to return to the policies of the past. But today we see that our faith has been vindicated:

- Gross national product stands at 392 billion.
- Personal income is at 306 billion.
- Personal disposable income is at 272 billion.
- New construction is at 41.8 billion.

Each one of these figures is a new all-time record. I could cite more of the same type but perhaps a more striking proof of the success of our program was contained in a recent bulletin of the CIO. Though critical of the Administration's economic policies in some respects, the bulletin refers to the "era of unparalleled prosperity" we are enjoying in the United States.

But despite these almost phenomenal records, a potential political issue remains. There are some who contend that this Administration has been good for business but not for the country at large. In a recent statement, [CIO Secretary-Treasurer] James Carey said, "We are aghast at the self-serving, greedy tactics of the present Administration keyed to the belief that what is good for business is good for the country."

Now, I realize that the business label on an Administration is supposed to be the kiss of death politically. But let's see what it means. If what is good for business is not good for the country, we had certainly better find another policy. And does it follow that what is bad for business is good for the country?

Let me tell you what our answer is. Speaking to the nation on Jan. 4, 1954, the President stated the case for the economic philosophy of his Administration simply and eloquently. He said: "This Administration believes that no American—no one group of Americans—can truly prosper unless all Americans prosper. We are one family made up of millions of Americans with the same hopes for a full and happy life. We must not become a nation divided into factions or special groups and hostile cliques."

I know of no better statement of the philosophy which has made America great than this one.

Now, to prove the point, let us examine this Administration's economic policies, not in terms of what is good for leaders of business, or leaders of labor or leaders of Government, but in terms of what is good for the 65 million American wage earners. Any Administration whose policies are not in the interest of this great majority of the American people will be defeated at the polls, and it will deserve to be.

What does the wage earner want?

First of all, he wants a job. There are more jobs available for those who want to work than at any time in history. Second, he wants high wages. These jobs pay higher wages than at any time in history. Third, he wants purchasing power. His wages will buy more goods than at any time in history.

He wants peaceful relations between labor and management. I will let an expert comment on what has happened in that respect:

> "There were fewer strikes and less time lost through strikes in 1954 than at any time since World War II.
>
> "Wage increases in 1954 provided more of a gain in real wages than in any other postwar year, for they were almost entirely over the amount needed to compensate for the rise in the cost of living."

The two statements I have just made are direct quotes from the *Monthly Research Report* of the American Federation of Labor for February, 1955.

To sum up, American wage earners today have more jobs at higher wages, with greater purchasing power and less strikes, than at any time in history, and they have peace to boot. On the basis of this record, it will be pretty hard to convince the wage earners of America that the economic policies of the Eisenhower Administration have been bad for them.

"Full Security Guaranteed"

Let us see what else the wage earner wants and how the Administration measures up in meeting his desires.

He wants security for the future. The normal tendency in discussing this issue is to point with pride to the extension of Social Security and unemployment insurance to millions not previously covered. But far more important than these significant advances is the fact that the Eisen-

. . . Annual wage good "only if prosperity continues"

hower Administration's fiscal policies guarantee full security rather than cut-rate security to the millions of Americans trying to save and plan for the future.

What Dollar Is Worth

Let's look at the record.

The man who saved a dollar in 1942 and invested it in Social Security, life insurance or Government bonds received only 61 cents back if he retired in 1952. But the man who saved a dollar in January, 1953, will find that his dollar will still buy a dollar's worth of goods today, over two and a half years later.

The 90 million Americans who have life insurance, the 55 million who have Social Security, the 40 million with Government bonds can now have confidence that the dollar they earn and save today will be worth a dollar 5, 10 or 15 years from now when they retire, if the sound fiscal policies of the Eisenhower Administration are continued.

If this is what a businesslike approach to Government fiscal policy does, the American people want more of it rather than less.

Consider for a moment the new so-called guaranteed-annual-wage contracts which have been negotiated in some industries. There may be disagreement as to the wisdom of these contracts. But of this much we can be sure:

The contracts could be negotiated in the first place only because of the unprecedented prosperity of the Eisenhower era.

The payments under the contract can be made only if that prosperity continues.

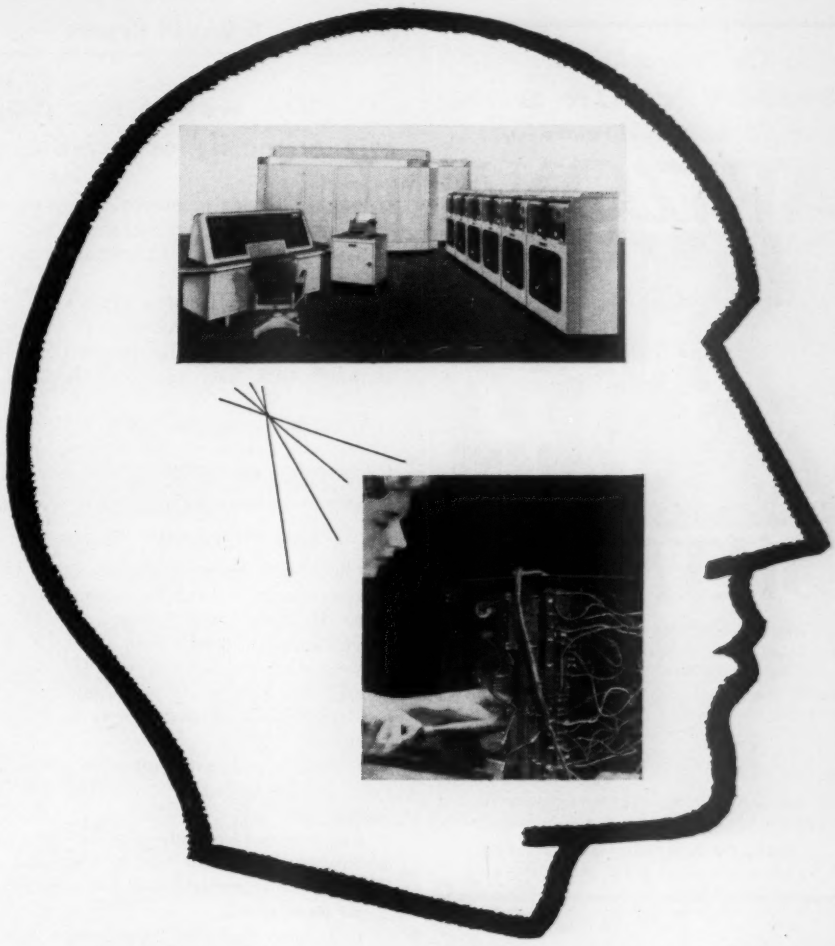
That prosperity will continue if the Eisenhower economic policies remain in effect.

What else do the 65 million wage earners want from Government?

The great majority want their Government to be progressive and dynamic in dealing with the problems of people—not static and reactionary. It is in this respect I believe those of us who espouse conservative economic policies must do some soul searching. Too often in the past we have allowed the advocates of Big Government to steal the ball from us on this issue and run away with it.

Whatever we may think of the proponents of the New Deal and the "Fair Deal," they recognized the desire of a great majority of the American people for more housing, roads and schools, for better medical care, for full development of our

(Continued on page 88)



Metal ganglions for the mechanical brain

The nerve centers of modern electronic computers are the points of contact that permit the flow of electrical current from part to part. These points of contact must be firmly and permanently joined. Usually, delicate soldering operations are used for this purpose.

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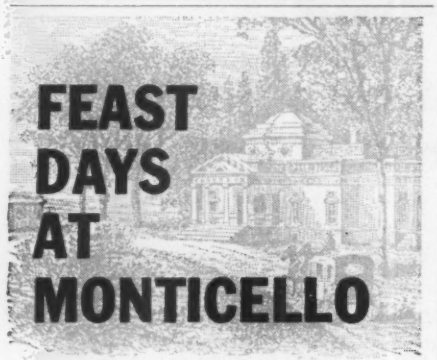

The great kitchen, the beautiful dining room and the Feast Day dinner menus of Thomas Jefferson's Monticello are brought back to life in vivid, full color, in November McCall's. Enjoy this fascinating picture-story of the foods, the flowers and the home that Jefferson cherished.

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"The way to real progress is through programs which rely primarily on private enterprise" . . .

water and power resources. They offered the people a simple way to meet these objectives—the Federal Government would do it.

Too many advocates of conservative policies opposed the means without offering an alternative. The people therefore assumed that they opposed the end as well.

What is the answer? It is very simple. Those who claim to be liberal in these fields talk better—the conservatives do better.

The "Liberal" Theory

Their basic theory was that every problem should be solved by Government action: If there was unemployment, the Government should make jobs. If there was a need for houses, the Government should build them. If better medical care was needed, the Government should provide it.

These programs all sounded good. The only trouble with them was they wouldn't work.

But it is not enough to point out that a federalized program will not do the job. The people want and demand solutions to these basic needs.

It is here that the Eisenhower Administration has rendered one of its most significant services. We recognize the needs. We are not content with the negative approach of "how not to do it."

In the words of the President, speaking on January 4, "We believe that the slum, the outdated highway, the poor school system, deficiencies in health protection, the loss of a job and the fear of poverty and old age—in fact, any real injustice in the business of living—penalizes us all. And this Administration is committed to help you prevent them."

And consequently we have offered to the country workable programs which we believe will build more roads, schools and houses, provide better medical care, develop more power and water resources than our predecessors ever dreamed of.

One might ask, how do our programs differ from theirs?

The major difference is that we believe the way to real progress and prosperity is through programs which rely primarily on private rather than Government enterprise. The Federal Government should step in only where the job cannot be done more effectively by private enterprise or by State and local government.

In summary, the Eisenhower philosophy is that you can be progressive and humanitarian without being socialistic. And we believe that kind of approach has the approval of the great majority of the American people.

To rely on Federal Government programs to meet the needs is wrong on several counts, but it is primarily wrong because federalized programs are not adequate to do the job.

Here are some estimated goals in the fields of power, roads, schools, hospitals and slum clearance. In the next 10 years America will need:

- 101 million kilowatts of power at a cost of approximately 20 billion dollars.
- 3,348,000 miles of highway at a cost of 100 billion dollars.
- 927,000 primary and secondary classrooms at a cost of 30 billion dollars.
- 1,288,000 hospital beds at a cost of 22 billion dollars.
- The replacement of 5 million housing units and the reconditioning of 15 million more at a total cost of 24 billion dollars.

It is easy in all these fields to say: "Let the Federal Government do the job." But when the Federal Government assumes the primary responsibility, private-enterprise sources dry up and State and local activity is correspondingly reduced. The inevitable result then is that federalized programs will not meet the needs.

All the resources of America must be tapped if we are to meet these needs which spell progress over the next 10 years. The Eisenhower program, which is based on the principle of the Federal Government working in partnership with private enterprise and local and State governments, is designed to do just that, and that is why it will succeed where the federalized program is doomed to failure.

That is why I say that, on the issue of progress, dynamic conservatism will meet the needs of the people far more effectively than static federalism. But some may shake their heads and say, "This sounds too New Dealish, too liberal."

The answer is that true conservatism has always been progressive, and to obtain the support of a majority of the people it must continue to be.

"The Road to Progress"

The choice is not between the Eisenhower program and something more conservative, but between the Eisenhower program and something far more radical. The American people are not going to stand still. We believe that our programs, designed in the very best American traditions, will keep America on the road to progress.

We oppose the programs of our predecessors, not because they were too high, but because they were too low. Our aim

. . . "Credit terms seem to be under control"

is a gross national product of 500 billion dollars by 1965. If we attain that goal, the resources will be available to build the roads, schools, houses, and to meet the other great social needs of the American people.

What do we find then as we examine this so-called businessman's Administration in the light of the welfare of the 65 million American wage earners?

It meets every test with flying colors. Whether it is jobs, wages, purchasing power, security or progress, America's wage earners have it better today under Eisenhower than they've ever had it before.

Getting back to the original charge, is this a business Administration? My answer is yes, to this extent: The Government of the United States is the biggest business in the world. As such, President Eisenhower believes it ought to have the best management in the world. And no achievement of this Administration has been more in the national interest than getting businessmen the caliber of [Treasury] Secretary Humphrey and [Defense] Secretary Wilson, and scores like them, to come to Washington to provide that kind of management.

Viewing the Future

May I conclude by making a prediction as to the future?

There are still prophets of gloom who try to frighten us with the specter of 1929. But they fail to take into account these elements of strength which assure further progress:

- Our recent expansion has come primarily through activities of private rather than Government enterprise.
- It is based on the normal foundations of peace, rather than the crisis demands of war.
- Our prosperity has a broad base. Seventy-six per cent of the total income goes to labor. This is the highest percentage in history.
- The relation between inventories and the nation's business is favorable.
- Credit terms which for a time were out of line now seem to be under control.
- With our record prosperity at home we have steadily improving economic conditions abroad.

With this solid foundation, we need not fear for America's future. As long as we are not panicked into doing things wrong, as long as we avoid the panaceas —the economic pep pills with the awful letdown—and as long as we remain true to the economic principles which have made America great, we can face the future with courage and confidence.

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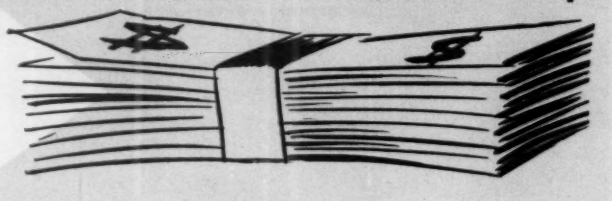
Special Report

(This article represents the result of an extensive research on a problem of outstanding importance.)

THE PEOPLE WHO ARE DOING BEST IN THE BOOM

THE CLIMB IN "REAL" INCOME—

Big Shift Is Into $5,000 - $15,000 Group



Income after federal taxes, adjusted to today's prices

Number of families and single persons earning —	IN 1941	LATEST	PER CENT CHANGE
UNDER $1,000	5,305,000	2,980,000	DOWN 44%
$1,000-$2,000	8,338,000	5,950,000	DOWN 29%
$2,000-$3,000	7,766,000	7,173,000	DOWN 8%
$3,000-$4,000	5,397,000	8,257,000	UP 53%
$4,000-$5,000	5,221,000	8,207,000	UP 57%
$5,000-$7,500	5,946,000	11,640,000	UP 96%
$7,500-$10,000	1,751,000	3,359,000	UP 92%
$10,000-$15,000	948,000	1,921,000	UP 103%
$15,000-$20,000	291,000	521,000	UP 79%
$20,000-$25,000	142,000	255,000	UP 80%
Above $25,000	265,000	287,000	UP 8%

THUS, as "real" income has increased over the years—

The bottom group of families, below $3,000, has diminished sharply.

The middle group has expanded, with a broad upgrading of incomes.

The top group, above $25,000, is only slightly larger now than before the war.

Source: 1941, estimate by USN&WR Economic Unit; "Latest," Commerce Dept., except for data relating to incomes over $15,000

In America today, the poor are getting fewer and the rich are getting poorer.

Survey shows that people making from $5,000 to $7,500 yearly, after taxes, have become the country's biggest "class."

Upper-income groups are getting a smaller slice of the national pie, compared to prewar. And "real" income of $25,000 is close to the top.

A great leveling of incomes is occurring in this country. The leveling process is pushing up from the bottom and pressing down from the top. The result is a sharp increase in the number of families now in the middle-income brackets.

Today, for example, there are more families and single persons in the $5,000-to-$7,500-a-year range than in any other single group. Back in 1941, the largest group consisted of families that received between $1,000 and $2,000 a year. Today, the $5,000-to-$7,500 group outnumbers the group that in 1941 received between $3,000 and $5,000.

Over the same period, the number of people receiving incomes of $25,000 and more increased by only 22,000. And the total income going to this group, after taxes, actually has declined since 1941. That's an example of the leveling process that has been going on over the last 14 years.

A $25,000 income, after taxes, was suggested as a proper wartime ceiling by the late President Franklin D. Roosevelt. Largely because of high taxes, that ceiling appears to be coming nearer.

These figures on income are presented on an after-tax basis, and after adjustment for price changes since 1941. They measure the changes in "real income" of American families and single persons between 1941 and the present.

Growth of middle class. The big story told by income figures is to be found in the large number of families that have moved up the income scale into the middle brackets. As the chart

(Continued on page 92)

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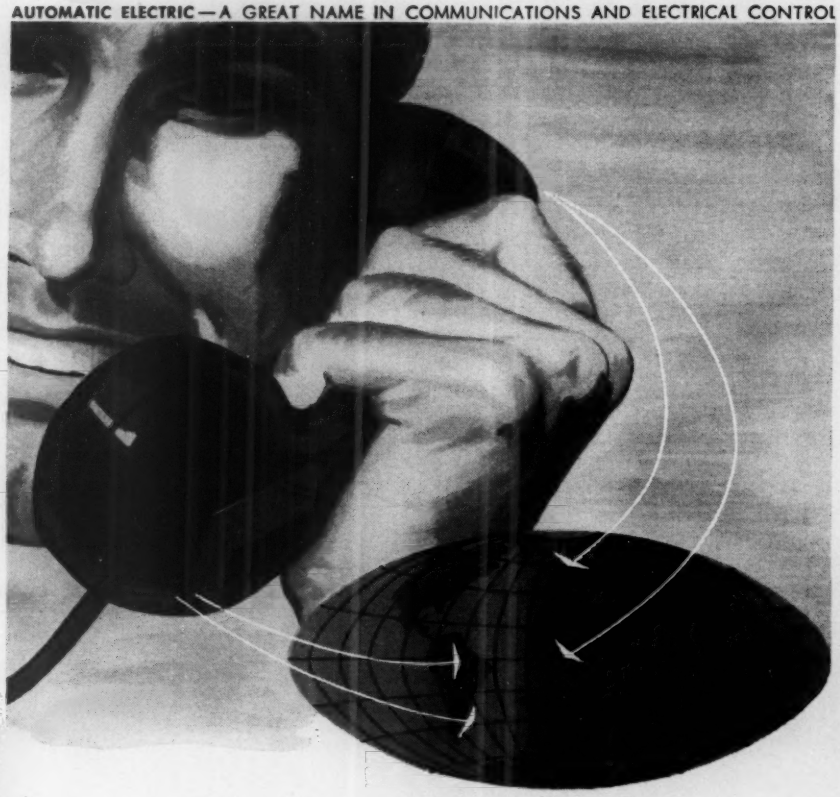

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AUTOMATIC ELECTRIC

ORIGINATORS OF THE AUTOMATIC DIAL TELEPHONE

Big middle class is backbone of the boom . . .

on page 90 shows, the number of families now in the $5,000-to-$15,000 range has almost doubled since 1941. They now total close to 17 million, and they have 120 billion dollars a year to spend. Fourteen years ago, this group numbered fewer than 9 million and had about 62 billion dollars to spend, figured at today's prices.

In these figures are found the secret of the booming American market that is surprising manufacturers, sales managers and economic analysts. These 17 million families, comprising about a third of all consumer units in the country, are the ones that are buying new homes, new cars, furniture, television sets, electrical

PAY CHECKS
They're tending to level out

appliances and all the other things that go into America's high and rising standard of living. They are the people who have two cars and, often, two homes. They account for the vacation and travel boom that has marked the years since World War II.

Another measure of the nation's broadly based prosperity is found in the income shifts from the low to the middle brackets. In 1941, more than half the nation's families had incomes of less than $3,000, measured in terms of 1953 prices. In actual dollars, their 1941 incomes were even lower. Incomes of this small size did not permit many purchases beyond the necessities of food, clothing and shelter. The luxury markets had to be supported by less than half the population.

Now, however, more than a third of the people enjoy incomes of $5,000 and up,

. . . Most people can buy necessities, some luxuries

after taxes, and more than two thirds have incomes of more than $3,000. Most people are well able to provide themselves with the basic necessities of life and to afford some luxuries as well.

The shift of people from the lower to the middle brackets of income is explained by the postwar increase in business activity and the steadily rising wage trend. Since the end of World War II, most people who have wanted jobs have obtained work, and wages and salaries have been increased year after year. That trend has enabled them to move into a higher-income group.

Poverty disappearing? The trend toward well-being becomes even clearer when you study the shift out of low-income groups. The number of people with less than $1,000 a year has dropped 44 per cent since 1941—from 5.3 million to fewer than 3 million. People in the $1,000-to-$2,000 group dropped 29 per cent in numbers and the group with $2,000 to $3,000 declined 8 per cent. These figures are signs that poverty is being greatly reduced in the United States.

This trend becomes even more striking when the low-income groups are examined more closely. Official studies show that the group that makes less than $1,000 consists primarily of single persons, rather than members of families. They are chiefly young people, many of whom work only part of the year; harvest hands who work only when crops are being gathered; casual laborers who drift from job to job. The group also includes many people who are retired.

The fact that these people earn less than $1,000 a year, therefore, is not necessarily an indication that they are in straitened circumstances. Their needs are less than those of people who are members of families. The same condition is true, but to a lesser extent, of people who are in the $1,000-to-$2,000 class.

Shift in total income. The leveling process also shows up more clearly when you consider the way that the total income of families and people is being divided. Total income, after taxes and price adjustments, has jumped from 162.7 billion dollars in 1941 to 241.5 billion. But the pieces of income pie are being sliced differently now than in 1941.

In 1941, the lowest-income group—from $1,000 to $3,000—received 23.5 per cent of the total. Now, because they are fewer in number, the share of this group has dropped to 11.9 per cent. The share of the $3,000-to-$5,000 group

(Continued on page 94)

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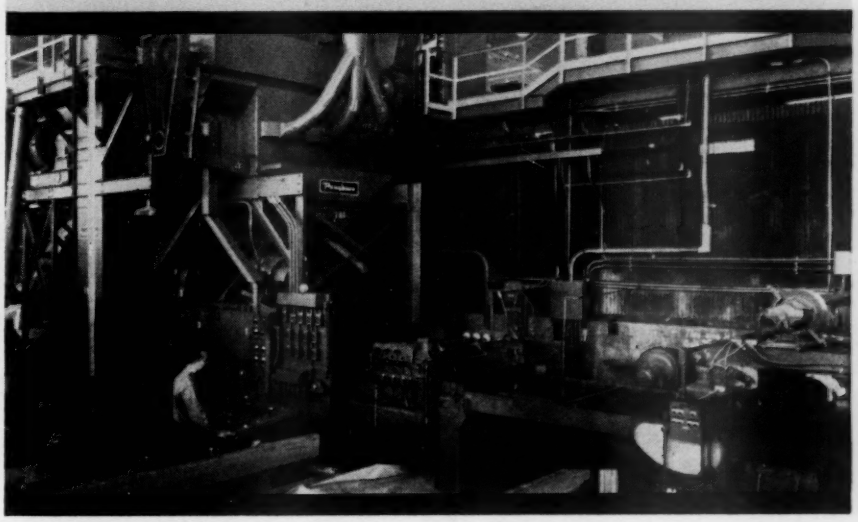

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NORTH CAROLINA

YEAR 'ROUND MID-SOUTH

. . . Yachts, big estates have almost disappeared

has stayed about the same—26.3 per cent in 1941, 27.3 per cent today.

But the middle-income group—people receiving from $5,000 to $15,000 a year—has boosted its share from 38 per cent of total income in 1941 to more than 50 per cent at present. The biggest slice of this income—29 per cent of the national total—goes to those families and individuals in the $5,000-to-$7,500 bracket.

In contrast, the share of the upper-income groups—those with more than $15,000 a year—has dropped from 12.2 per cent of the total in 1941 to 10.8 per cent today. The top group, those with more than $25,000, has had its share shaved from 7.2 per cent to 4.6 per cent.

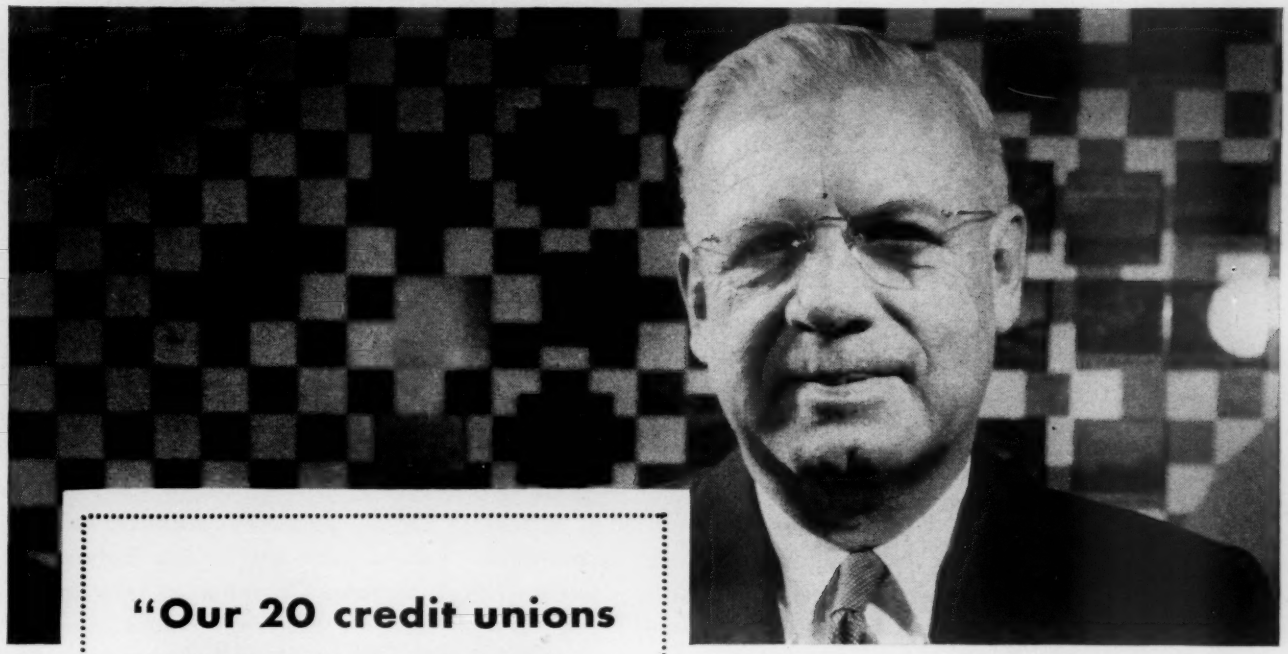
The leveling process is further pointed up in the bulge in the number of families that are getting after-tax incomes of $10,000 to $15,000 a year. This group has more than doubled in number since 1941 and shows the largest percentage increase of any group. But this group includes both people who are going up the income ladder and those who are coming down.

A good many of the 1.9 million families in this bracket doubtless manage to push themselves into this bracket from a lower level of income. But the group also is believed to contain families whose "real income" has suffered from the high tax rates.

The effect of this income trend has been to broaden the market greatly for things that people with middle-class incomes want—relatively small homes, the gadgets to fill them, and automobiles. But the demand for expensive luxuries has shrunk. Big estates are a drug on the market in many places. Scarcely any yachts have been built for private owners in recent years, but the demand for small boats has soared.

Problem for industry. This leveling of income promises to keep the present type of demand high as long as American business is able to provide 65 million jobs at relatively high pay. But questions are arising about the ability of industry to attract the money it needs for continued growth. In times past, people with incomes of $15,000 and more have provided the bulk of investment funds. High taxes now discourge this group and signs are growing that industry may have to reach into lower brackets to attract the money it needs.

There are no signs, however, that present trends are to change. America seems definitely set on the path of becoming predominantly a middle-class country.



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says **MR. DONALD DANFORTH,** *president of the Ralston Purina Company*

"Through their credit unions, our employees have helped themselves solve personal money problems and build financial security. I am proud of their achievement, and I regard their contribution to the welfare of our working force as a valuable dollars-and-cents asset of our company."

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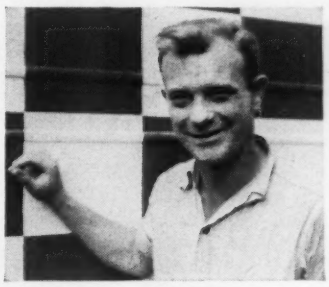
"SAVING IS EASIER," says maintenance man, Harry Buescher, "when you've got a credit union so handy right where you work. And the good return these credit union savings earn gives you all the more reason to put away every cent you can." This plant credit union has been in operation since 1933. Today it has 312 members and its assets total well over $100,000.



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Senator Barkley Gives

A VIEW OF POLITICS AT WORK AT THE GRASS ROOTS

Here is a case history—with direct meaning for 1956—of how American politics sometimes works on the inside, a story told by Alben Barkley, former Vice President.

The story deals with Kentucky, where A. B. (Happy) Chandler now has the Democratic nomination for Governor. As a result, he may control the State's Convention delegation.

Mr. Chandler, a free-swinging campaigner, is known as an opponent of Adlai Stevenson. He also is a political foe of Earle Clements, Kentucky Senator facing a re-election fight in 1956.

Robert L. Riggs, Kentucky political correspondent, writing recently in the *Saturday Evening Post*, pictures Chandler as now having his eye fixed on the White House.

In the framework of what is happening in Kentucky, the story told by Senator Barkley takes on added significance.

Following is an extract from a speech by Senator Alben W. Barkley (Dem.), of Kentucky, broadcast over station WAVE-TV, Louisville, Aug. 4, 1955, as recorded and transcribed:

In 1939, late in the year, Senator M. M. Logan died. Keen Johnson was then Lieutenant Governor [of Kentucky] and the Democratic nominee for Governor. Governor [Albert B.] Chandler resigned from the Governorship, which left Mr. Johnson as the Governor, and he appointed Mr. Chandler to the unexpired term of Senator Logan. Mr. Chandler came to Washington as temporary Senator under that appointment.

Notwithstanding the fact that he had fought me bitterly in '38, two years before, I took him under my wing, as you might say, because I was Majority Leader. I helped him to get desirable committee assignments and I helped him in every possible way to make a good Senator from the State of Kentucky.

In '42 he announced his candidacy for the full term of six years, beginning in '43. John Y. Brown, who had campaigned all over Kentucky for me against Mr. Chandler when he ran against me, was considering running against Mr. Chandler for the Democratic nomination. I tried to persuade Mr. Brown not to run against Mr. Chandler, because I thought that during those two years he had co-operated with me very well as Majority Leader and as a Democratic colleague, and that he had earned my support for the full six-year term. Mr. Brown, nevertheless, decided to be a candidate, and in that campaign I openly and publicly announced my support for Mr. Chandler for the nomination, because, as I said, I thought he had earned it during the two years.

I was mistaken, however, about that. He was nominated and elected and when he came to Washington with a full six-year term ahead of him, he became a different Chandler and a different Senator. He gradually veered away from his support of the Roosevelt policies and the Roosevelt Administration and from me as Majority Leader, and began gradually to vote more and more with the Republicans and with those who opposed the policies of the Roosevelt Administration.

All of this created great regret on my part, but things went along, in a rather unsatisfactory way, until 1945 when the lure of a $50,000 salary from the baseball world was dangled before Mr. Chandler's eyes and he resigned his position in the Senate from Kentucky, the greatest position that the people of this State can confer upon anybody, and became baseball commissioner. He resigned and turned his position over to a Republican Governor, who appointed a Republican Senator to take his place in that great deliberative body.

I advised Mr. Chandler then against it. I thought he was making a mistake. I have advised him since that I thought he did make a mistake. Nevertheless, he made it.

In the campaign of 1946 to fill the unexpired term for which Mr. Chandler had been elected in '42, John Sherman Cooper was the Republican nominee. John Young Brown was the Democratic nominee. I regret to be compelled to say that in that campaign Mr. Chandler, who had resigned the Senatorship and turned it over to the Republicans, supported Mr. Cooper, the Republican nominee, against Mr. Brown, the Democratic nominee, and helped elect a Republican Congress in the middle of a Democratic Administration.

Then in 1948, when the presidential election came along, the Convention met in Philadelphia to nominate a Democratic ticket for President and Vice President of the United States. I had been asked to become the temporary chairman and the keynoter of that Convention. I did not desire to do it because I had three times been the keynoter, but I finally accepted and I laid before that despondent Convention the accomplishments of the Democratic Party for 16 years. I was nominated for the office of Vice President of the United States.

In that campaign Mr. Chandler not only deserted the Democratic Party, he not only refused to support President Truman, who was the nominee for President of the United

(Continued on page 98)

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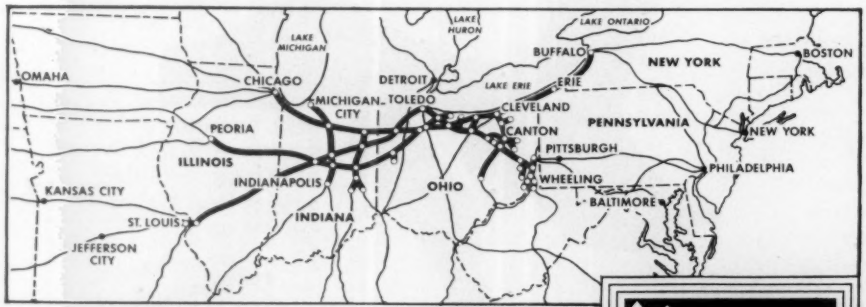

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" 'Dixiecrats' sought to destroy Democratic Party" . . .

States; he refused to support me as the nominee for Vice President, and thanked God that he did not have to vote for Barkley for Vice President of the United States. He also opposed Virgil Chapman, Democratic nominee for United States Senator, and again supported John Sherman Cooper, the Republican nominee for United States Senator. He journeyed to South Carolina to confer with Governor [Strom] Thurmond, who had in the meantime been nominated as a candidate for President of the United States by the so-called "Dixiecrat" ticket, deserting the Democratic Party, trying to destroy and to defeat it.

He brought Mr. Thurmond to Kentucky. He in effect managed his campaign. He entertained him in his home in Versailles and openly deserted the Democratic Party and supported this so-called "Dixiecrat" splinter party that sought to destroy the great party of the people and to humiliate it and to nullify its great record.

I, therefore, in 1946 campaigned for John Y. Brown. I had then to encounter the opposition of one of the present candidates for Governor of the State of Kentucky. John Y. Brown was defeated, partly through the efforts of one of the candidates for Governor now, Mr. A. B. Chandler.

I do not know how Mr. Chandler voted in 1952, but I do know that he told friends of his that he could not support Adlai E. Stevenson, the great, brilliant, liberal, forward-looking Democrat, chosen by the Democratic Convention of which Mr. Chandler was a delegate. I do not know whether he voted at all or not. I do not know whether he voted for Eisenhower, or whether he voted for Stevenson, or whether he voted at all, but he told friends after the nomination he could not support Mr. Stevenson because he said he was picked by Harry Truman and he would not vote for anybody who had been chosen by Harry Truman.

A Comment on Stevenson

In a speech in Lawrenceburg, Ky., ostensibly in behalf of Tom Underwood, Democratic nominee for United States Senator, Mr. Chandler said: "The Democratic Party has nominated a fellow named Stevenson for President of the United States. I don't know anything about him." And that is the only mention of Stevenson in that campaign on record that was made by Mr. Chandler, who now asks the Democrats of this State to nominate him for Governor of the Commonwealth of Kentucky.

. . . "I did not seek" presidential nomination

I hesitate and regret that I must mention another matter that ought not to be involved in this race for Governor, and that is the Convention in Chicago in 1952 that nominated Governor Stevenson for the Presidency.

The Democratic Party in Kentucky instructed its delegates to vote for me for that high honor. I did not seek the honor, but I did appreciate it, and before the convention met in Kentucky, that was later to instruct its delegation to vote for me, I talked with Governor [Lawrence W.] Wetherby and Senator [Earle C.] Clements about the make-up of the delegation. They thought it a good thing to name all previous Democratic Governors on the delegation, and I said, "I agree. But I want to tell you in advance there'll be one former Governor on the delegation who will not be for me." And when they asked his name, I said, "Mr. Albert Benjamin Chandler."

"Well," they said, "he'll have to vote for you because the delegation will be bound by the unit rules."

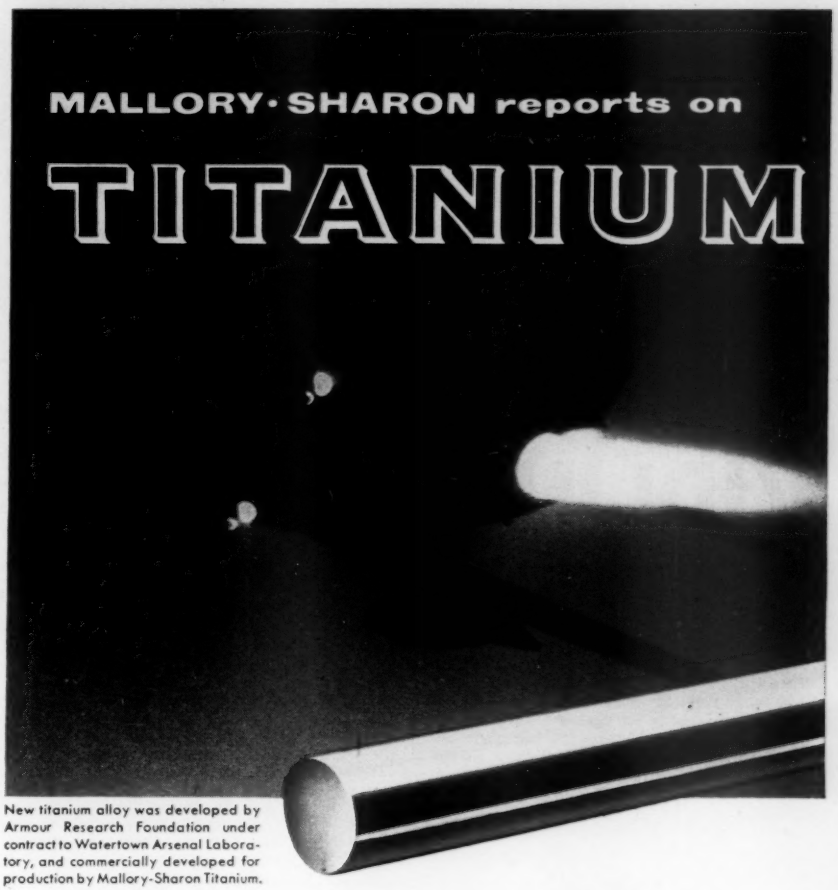
"Truth About Convention"

I mention this because in a letter that I have here, sent out from Mr. Chandler's headquarters over the name of Mr. Joseph Leery, his cochairman, they state that I was denied the Democratic nomination for President of the United States because of the treachery of Governor Wetherby and Earle Clements who, they alleged, pulled the rug out from under me in that Chicago Convention. I wish to tell the people of Kentucky the real truth about that Convention.

I accepted my fate at that Convention without complaint. I accepted it as a part of the great game of politics. Many better men than I have been denied that great honor, and when I did not receive it, I spoke all over this country for Adlai E. Stevenson, and I spoke all over Kentucky for Tom Underwood, Democratic nominee for United States Senator.

I arrived in Chicago on Friday before the Convention was to meet on Monday. I was busy over television and radio. On Sunday night certain labor leaders who were at the Convention gave out an announcement that they could not support Mr. Barkley because of his age, and the next night, on Monday night, after the Convention met, Governor Wetherby, Senator Clements, Mr. Leslie Biffle, Secretary of the Senate and a lifelong friend of mine, Mr. Jim Farley, whom you all know, and a number of other gentlemen came to my room to tell me that this announcement of the labor leaders had dis-

(Continued on page 100)



New titanium alloy was developed by Armour Research Foundation under contract to Watertown Arsenal Laboratory, and commercially developed for production by Mallory-Sharon Titanium.

HOT PERFORMANCE

titanium alloy is born

AIRCRAFT designers judging a metal don't just ask, "how light and how strong?" . . . but, "how light, how strong, at how high a temperature?" A glance at a streaking jet tells you why.

Thus, Mallory-Sharon's commercial development and production of a truly high temperature titanium alloy is so important. Called MST 6Al-4V, this alloy "stays put" at elevated temperatures. It has minimum "creep",—the metallurgists' term for stretch under load when hot. Working temperatures don't change its properties, or cause brittleness.

Designers have long been waiting for a lightweight metal with this *hot performance*—thus it's destined for wide use in airframes and jet engines, and similar tough applications. It's now in large-scale production by Mallory-Sharon, leading producer of a full range of titanium and titanium alloy mill products. Use our experience for your applications of lightweight titanium.

Mallory-Sharon Titanium Corporation, Niles, Ohio.

MALLORY Ti SHARON

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You recently read about a man who is making millions in "special situations." He subscribes to Kiplinger. You also read about a Texan who pyramided $750 into a sizable fortune. He is 29 years old. He reads Kiplinger. A certain well-known man is rapidly becoming the big name in real estate. And *he* reads Kiplinger. So do young executives in many industries. And board chairmen. Top sales managers. Owners of growing businesses. The pattern is clear: *Kiplinger is the most practical instrument for helping a man recognize opportunity.*

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Here is a brief outline of the concrete benefits you will reap when you join the list of successful men who go by what "Kiplinger Says . . .":

1. **Kiplinger Saves You Precious Time.** The Washington Letter is many things to many men. But to all it is a very real way to turn minutes into money. For Kiplinger boils down the news of business, economics, finance & politics into 4 crisply-written, fact-packed pages. Fact is winnowed from fancy. You need never wade through dozens of newspapers & magazines to pick up a choice morsel or two. Kiplinger does this job for you. He separates the vital from the trivial.
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Please rush me the Kiplinger Washington Letter for 13 weeks at the special introductory rate of $2.97. After receiving 4 issues, I will either send my remittance, or mark bill "cancel" and owe nothing.

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. . . "I accepted advice" to retire from the race

rupted my campaign, caused many delegates in States with heavy labor votes to desert my banner as if they were rats leaving a sinking ship, and that in all probability under those conditions I could not be nominated, and that in their judgment it might be better for me to retire from the race while it looked like I might be nominated than to wait and be defeated on the floor of the Convention.

We talked about it a long time, and finally I accepted their advice. Whether that advice was wise is now immaterial. I accepted it. It might be that if I had it to do over I would not accept it. But I regarded the advice as being sincere and made in good faith, and I retired, therefore, from the contest.

Politics in the Lobbies

But long before the labor leaders are charged with having pulled the rug out from under me, long before Governor Wetherby and Senator Clements and others visited my room on Monday night, Mr. Albert Benjamin Chandler, a delegate from Kentucky instructed to vote for me, had been working industriously and feverishly in the lobbies of hotels against me, trying to persuade delegates to vote against me in favor of Senator Dick Russell, of Georgia, and even invaded the Kentucky delegation in order to try to persuade them to desert me in spite of their instructions, and vote for Senator Russell as against me for the Democratic nomination.

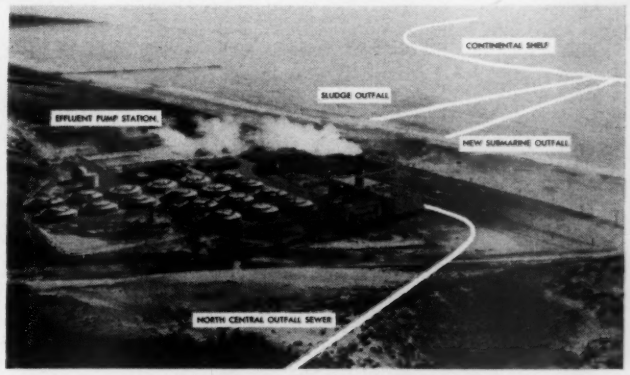
Now, Senator Russell is a great Democrat. He's a great friend of mine. He was a great sport in that campaign, and although defeated for the nomination, he supported the election of Governor Stevenson in 1952.

I do not know how Mr. Chandler voted in that race. I do know that he told many of his friends that he could not vote for Stevenson. Whether he did or did not, I am in no position to know.

I mention these facts, my friends, because I am a Democrat. I have been one all my life. My forefathers were Democrats, and I have been proud to carry the banner of the Democratic Party into every State in this union, into nearly every county of Kentucky and nearly every precinct in Kentucky. I believe in the Democratic Party. I believe that from Jefferson to Jackson and Cleveland, William Jennings Bryan and Woodrow Wilson and Franklin D. Roosevelt, the Democratic Party has been the great voice of the people, crying in the wilderness in behalf of the great people of our nation against entrenched privilege as represented by the opposite party.

KING-SIZE SEWER PROJECT FOR NATION'S 3RD LARGEST CITY

Hyperion Engineers Begins Expansion of Los Angeles Sewerage System To Meet City's Growth Till Year 2000



Hyperion Engineers—a joint venture of Holmes & Narver, Sponsor; Daniel, Mann, Johnson & Mendenhall; and Koebig & Koebig; in consultation with the Engineering Office of Clyde C. Kennedy, Bowlus-Pomeroy and the City Engineer, are underway on one of the most challenging sewer projects ever undertaken. Largest engineering contract ever awarded by the City of Los Angeles—the new system will consist of three separate stages of expansion and modification:

Outfall Sewer—first phase of the Hyperion expansion project—is scheduled for complete design within ten months. A major trunk line to the sewerage treatment plant—the 9 foot diameter outfall sewer must be designed to tunnel 6 miles in face of difficult obstacles such as oil fields, earth faults, subsiding land and water wells.

Treatment Plant will then be extensively modified to handle increased outfall without interrupting present operation. This will provide a dual system capable of either converting sludge into fertilizer or piping the entire issue out to sea . . . depending on the city's immediate needs. The redesigned plant will have a capacity of 720 million gallons daily—proposed to meet Los Angeles anticipated sewage needs until 2000 A.D. Also, purified water produced from the new system will be available to replenish and increase the fresh water table along critical sections of the heavily populated Los Angeles beach area.

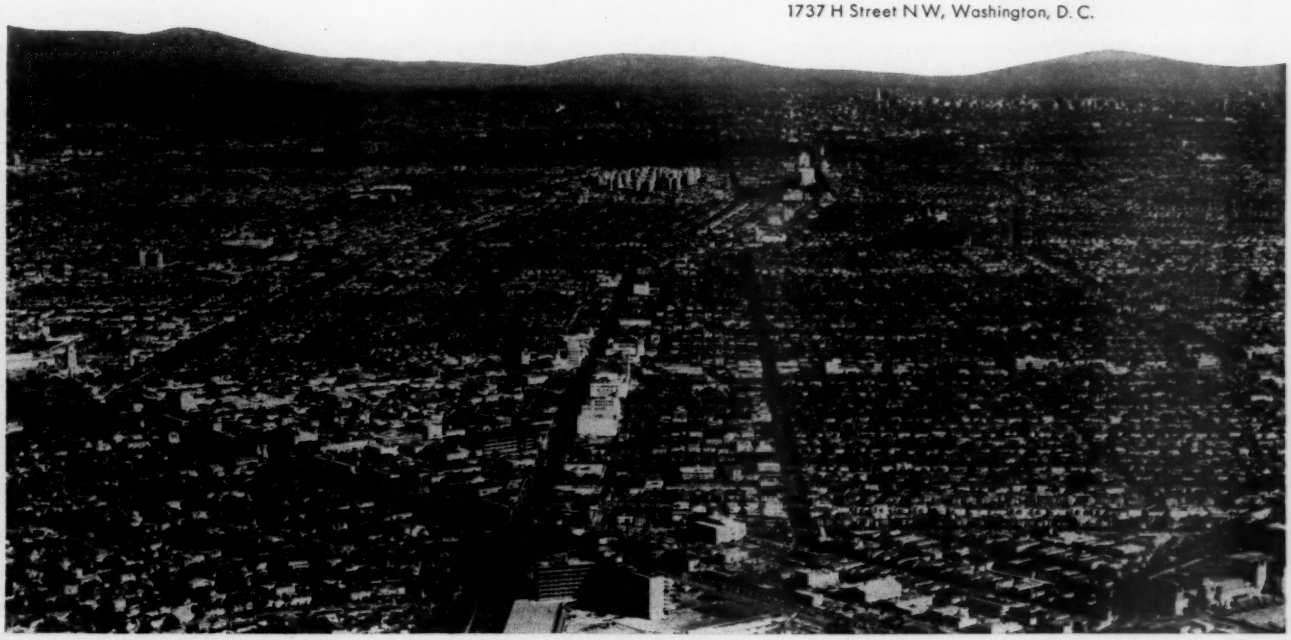
Pipeline Out To Sea—final expansion stage—will consist of two parallel lines extending more than 5 miles into the ocean to a depth of 250 feet. Following extensive oceanographic study, Hyperion Engineers must design the pipeline to provide for efficient underwater construction, where divers can work only 25 minutes a day in total darkness—setting pipe 12 feet in diameter.

Many such engineering projects are being accomplished throughout the land, and experience gained in the studies, designs, and construction thereof spells technological progress towards still greater engineering achievement for the betterment of mankind. H&N is proud to have played a part in some of these accomplishments.

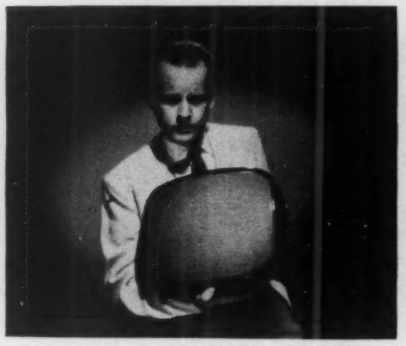
ENGINEERS
H N
CONSTRUCTORS

HOLMES & NARVER, INC.

828 South Figueroa Street, Los Angeles 17, California
1737 H Street N W, Washington, D. C.

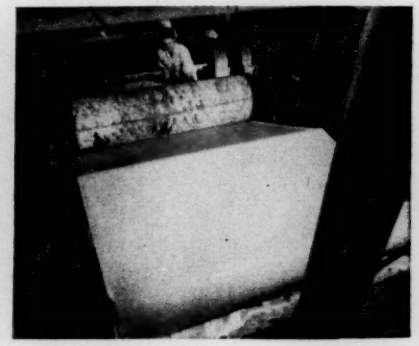


1 **Barium Reduction Corporation,** S. Charleston, W. Va., is headed by able Louis Preisman (right). Here he confers with his general sales manager, K. O. Priddy (center), and C. J. Farcasin of Wyandotte. "The Wyandotte representative is most co-operative in taking care of our needs," Mr. Preisman relates. "When he says a carload of caustic or soda ash is en route, we can schedule our production on it." Many industries have learned to rely on Wyandotte, not only for chemicals of the highest quality, but also for technical assistance to help them improve their manufacturing processes, make better products.



2 **Barium carbonate** adds brilliance to television picture tubes. Barium Reduction Corp. uses Wyandotte Soda Ash in the manufacture of its high-quality barium carbonate. Wyandotte Soda Ash is also an important ingredient in the glass itself; is used extensively by the glass industry.

3 **A special grade** of barium sulfate, developed by Barium Reduction Corp. for the rubber industry, improves the quality of molded rubber products, like above tires. Wyandotte supplies chemicals to the rubber industry, including: calcium carbonate, caustic soda, and bicarbonate of soda.



4 **Paper coating** requires a barium sulfate of specific characteristics. Barium Reduction Corp. has successfully developed these characteristics. Wyandotte works closely with the paper industry; helps develop new techniques and products that improve the quality of fine printing papers.

Wyandotte chemicals are at work behind the story on . . .

how barium brightens your life

Founded during World War I, Barium Reduction Corporation has mushroomed into the nation's largest maker of barium compounds — products which are an important part of your way of life.

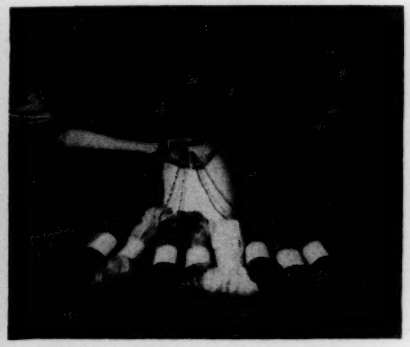
Although many people are familiar with barium only as the element *(Ba)* — or as a liquid compound taken to make the digestive tract opaque to x-rays — it is used in widely diversified fields.

Examples: a radioactive isotope of barium gave the first clue in the development of the atom bomb. Precipitated barium sulfate is used as "permanent white" in printing inks, paper — and in improving molded rubber. Barium carbonate lends brilliance to glass TV picture tubes; is used in light-bulb sockets.

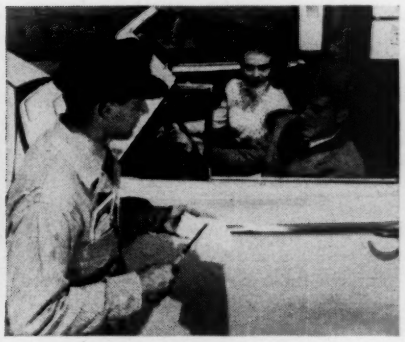
As a basic producer of raw-material chemicals, we have worked closely with Barium Reduction Corporation, supplying soda ash and caustic soda for the manufacture of its barium compounds and other chemicals. Fact is, in practically every industry you can name, Wyandotte chemicals play a vital role. How about *your* business — may we serve you? *Wyandotte Chemicals Corp., Wyandotte, Michigan. Offices in principal cities.*

Wyandotte CHEMICALS

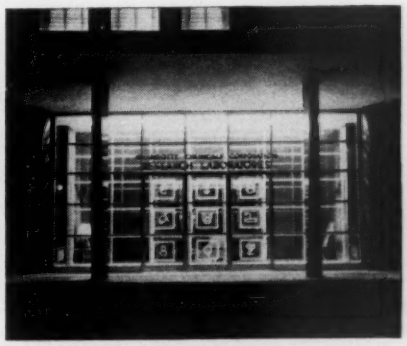
Organics, Inorganics — World's largest manufacturer of specialized cleaning products for business and industry



5 **Barium Reduction Corp.** also makes carbon bisulfide, which is used with Wyandotte Caustic Soda and either wood pulp or cotton linters to form viscose for making rayon. The textile industry also uses soda ash, chlorine, synthetic detergents, and other products made at Wyandotte.



6 **High-detergency** lubricating oils, which are needed for modern high-compression engines, contain barium compounds to keep dirt and engine deposits in suspension. Wyandotte also keeps pace with modern industry, with new products like the Pluronics®, amazing new nonionic surfactants.



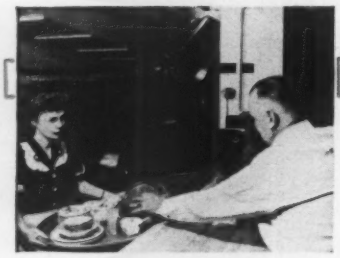
7 **Wyandotte's** research center, one of the finest in the industry, is equipped to give you practical, helpful information on the industrial use of our many chemicals. If you have a chemical or processing problem, perhaps we can help you. Write us now, giving details of your problem.

earful from an elevator

This is the Otis ELEVOICE that replaces the missing operator's voice in completely automatic AUTOTRONIC elevators. This voice will announce the floor at which the car has stopped, regardless of the number of floors between stops or the direction of travel. It will caution against delaying the operation of the door, but only when the door operation is being delayed. Too, it will suggest that entering passengers touch buttons for the floors they want and step back in the car. In department stores, the voice can announce the merchandise on sale at each floor, with daily changes. In office buildings, it can call out tenants' names. The voice can be that of a Bostonian, Atlantan, Chicagoan, or the dulcet tones of a well-known movie actress.

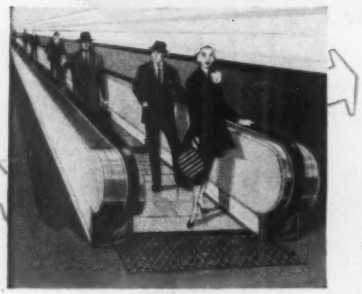
world's safest transportation

Recently, a state legislature approved the use of operatorless elevators. In doing so it based its decision in part on these facts: That automatic operatorless elevators are more than twice as safe as manually operated elevators (long known to be the world's safest transportation); that better than 90% of the elevators now being installed are fully automatic; that the Federal Government itself is installing automatic elevators; that relatively few elevator operators will lose their employment; that most operators are persons who can readily obtain other employment; that automatic operatorless elevators represent the type of progress in our economy that cannot be stopped.



enlarges dining room areas

An Otis escalator can open up normally inconvenient upper or lower floor space for a restaurant service area—and thereby release high-priced ground floor space for increased income! Escalators avoid any objections to stair climbing. A standard 32" Otis escalator provides ample carrying capacity. Its truss-enclosed machine eliminates a costly machine room. A three-section, factory-fabricated truss reduces installation costs. Otis planning engineers are ready to help you and your consultants. This service is free—without obligation.



another OTIS first

It's the Otis TRAV-O-LATOR—quickly described as an escalator that provides horizontal ***contour*** transportation. It can carry people up ramps in sports stadiums, schools and railroad stations; to and from parking areas; up from underground city traffic centers; or overhead across highways, or from airport terminal passenger levels down to airplane boarding points. There's practically no limit to the length, flexibility, or use of the Otis TRAV-O-LATOR described in Booklet A-415.

we couldn't duplicate OTIS maintenance

"Otis Maintenance, which plays a major part in keeping our elevator service at peak performance, differs greatly from the offerings of elevator service companies," says James M. Bradford, Manager of the Dexter Horton Building in Seattle, and Floyd Clodfelter (at left) Chairman of the Board. "Otis Maintenance is 'engineered service' that has been designed to prevent trouble and breakdown, rather than just handle routine oiling and cleaning and the replacement of worn or broken parts after the equipment has failed. As a result, Otis Maintenance cannot be duplicated by any elevator owner, management company or other elevator company at any price."

OTIS ELEVATOR COMPANY, 260 11th Ave., New York 1, N.Y.

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MAINTENANCE

Otis

Trend of American Business®

24th and N Streets, N.W.
Washington, D.C.

Business enters the closing months of the year in a whirl of activity.

Total spending for goods and services--the gross product--jumped a startling 7.2 billions a year from the April-June to July-September quarters.

Output at the latest count is running 392 billions a year. That's 33.2 billions above the rate a year ago.

Signs, moreover, point to a further increase in output in the present October-December period. The boom still is going strong.

People are engaged in a spending spree that tops all past performance.

Personal spending, in fact, accounts for most of the recent rise in total activity. It jumped 6 billions a year in the July-September period.

Spending, at the moment, is outpacing income. Income gain from second to third quarter was 4.9 billions, at annual rates, after taxes.

Individual outlays also seem to be rather evenly distributed. Gain in rate for durable goods--autos, appliances, furniture--came to 2.4 billions. Gain in nondurables--food, clothing--was 2.2 billions. Increased outlay for services--rent, transport, personal care--was 1.3 billions.

People, in other words, are buying more of almost everything.

Business firms, too, are adding their stint to the rise in spending.

Outlay for producers' equipment rose from a rate of 23.7 billions a year in the second quarter to 25.4 billions in the third quarter.

New construction of commercial and industrial buildings also rose, from 15.7 billions a year to 16.1 billions. Home building declined slightly.

Investment in plant and equipment is expected to rise a little bit more in the closing months of the year. That's indicated in a survey of Commerce Department, the Securities and Exchange Commission.

Individuals, too, are expected to boost their spending a notch in months just ahead. Almost all types of stores are counting on a record volume of trade for the Christmas season. You get details of this outlook on page 26.

Inventory building slipped a little in the most recent quarter.

Additions to inventories are reported at 3 billions a year during the July-September months. That compares with 4.3 billions in April-June, and an actual reduction of inventory of 4.9 billions in July-September, 1954.

Heavy customer demand appears to be responsible for the slower rise in inventory building. Buyers are clearing stocks off shelves and out of factories and warehouses almost as fast as they can be delivered. Businessmen, very likely, would prefer to add more to inventories, if they could manage it.

If the boom continues beyond year end, which now appears almost certain,

(over)

you can expect inventory accumulation to show an increase.

Farm operators, however, are still being bypassed by prosperity.

Net farm income for the third quarter is reported by the Council of Economic Advisers to be running at 10.5 billions a year. That's 1 billion below the rate at the start of the current year.

Farmers, this year, are expected to reap the second-largest harvest in history, topped only by 1948. That's bringing a downward pressure on prices. Farm problem promises to plague the country for some time.

The boom, quite naturally, is being reflected in output of industry.

Production from mines and factories reached an all-time high again on the Federal Reserve Board's index for September.

Output, seasonally adjusted, rose a point from August, to hit 141 per cent of the 1947-49 average. This index has been rising steadily since August, 1954.

More revealing is the trend noted without regard to seasonal shifts.

The over-all index, without adjustment, still is put at 141 per cent.

Automobile output fell from 166 per cent in August to 130 per cent in September. That was because of shutdowns for model changes.

Output of durable goods of all kinds, however, jumped from 154 per cent in August to 157 per cent in September.

While auto production dropped off, activity increased in steel mills, at copper refineries, in plants making household electric appliances and in firms that make electrical equipment for industry.

Chances are that you will see further rises in industrial production.

Automobiles will roll off assembly lines in increasing volume in months just ahead as producers stock dealers with new cars.

Steel mills expect to hold operations above 95 per cent of capacity.

Orders for primary metals are well above a year ago.

Large orders also are on hand for fabricated metals and machinery.

Well-filled order books are positive signs that output will stay high.

High production is being maintained in paper, chemicals, gasoline and oil, rubber; a very slight dip is reported in textiles. These figures show that the boom is stretching out over almost all of industry.

Prices for industrial products and materials continue to inch upward.

New automobiles are being offered at higher prices than a year ago.

Machinery is being advanced in price by most producers.

Higher prices are noted for zinc, newsprint, burlap, cotton cloth.

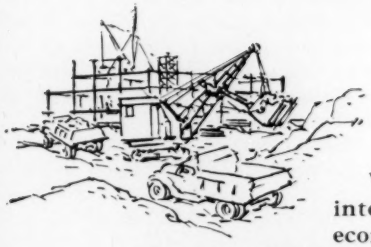
Wholesale-price index of the Labor Department for materials other than farm products and food shows a considerable rise in the last three months.

Federal Reserve Board, apparently, still thinks the boom may become too fast and furious. The Board continues to apply the brakes to bank credit.

Commercial banks are not being supplied with reserves by the Board. If banks want reserves to expand credit, most of them have to borrow from Reserve Banks. That condition has prevailed since August.

Mr. Manufacturer:

SMALL TOWNS HAVE BIG HEARTS FOR INDUSTRY



Where populations soar into huge numbers, the economic contributions of a plant employing 50 to 100 workers can easily be overlooked. *But in smaller communities, these contributions are big, visible and really appreciated.*

For example, one of the towns along the N & W which is typical of these fine, smaller communities, has a population of 9,500. It offers an abundant water supply, excellent climate, nearby natural resources, plenty of skilled and unskilled home-rooted labor and excellent industrial sites at fair real estate values. Such towns roll out a big welcome carpet to manufacturing, large or small, because they know that *every additional 100 factory workers will:*

bring the community $590,000* more personal income per year —

add $270,000 more in bank deposits —

produce $360,000 more in annual retail sales —

and add 296 more people who will vote, pay taxes, support churches and charities, and make an all-around stronger community.

Communities along the N & W offer important advantages for efficient manufacture and distribution — *plus an appreciative and cooperative public.* Let our plant location specialists tell you about ideal plant sites in such communities . . . in confidence and without obligation.

WRITE, WIRE or CALL

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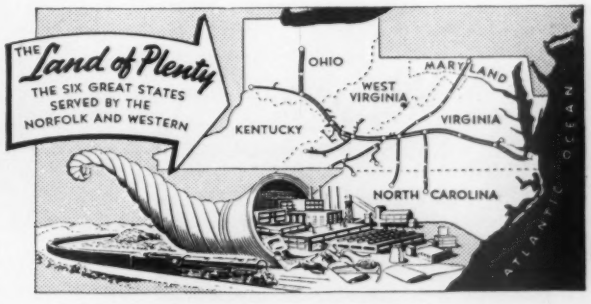
Transportation is a major factor in good plant location. Consult your traffic manager when you're choosing a plant site. He's a transportation expert.



KNOW WHEN RECORDS
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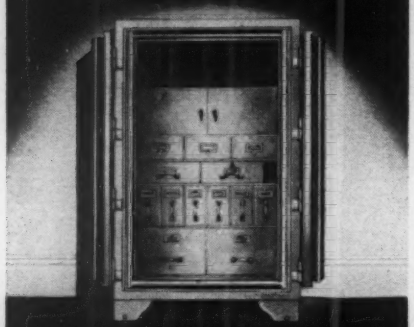

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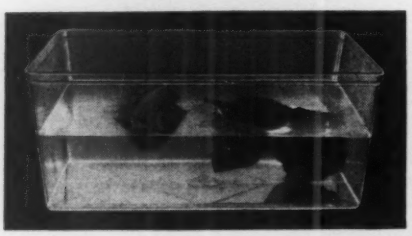

• These two towels were dropped in the water simultaneously. The Mosinee Towel (right) became saturated and sank almost immediately. The ordinary towel remained afloat. This high absorbency means that a *single* Mosinee Towel dries wet hands quickly, thoroughly. And Mosinee cabinets dispense only *one* at a time.

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Four-Day Week—When? 1965 Is Aim of Unions

A shorter workweek is union labor's answer to new machines.

The big trend to "automation" in factories has leaders talking in terms of 30 to 32 hours—4 days of work instead of 5.

Already, here and there, the 40-hour week is being sliced.

The word *automation*, so new to the English language that it can't be found in last year's dictionary, is causing a stir in the business world.

A committee of Congress is trying to find out what automation means in terms of employment and business investment. Unions are wondering how many workers will be displaced by this trend toward more use of automatic machines. Employers, always eager to increase efficiency, are grabbing the new time-saving devices as fast as they are turned out.

It is a trend of the times that is causing unions to revise their planning, to reappraise the demands they have been saving to serve on employers in the future.

A clue to the effect that automation is having on union thinking has just come to light in testimony before a subcommittee of the Joint Economic Committee of Congress. Employers are put on notice by this testimony that the time is not far off when unions will be demanding, and really pushing for, a workweek considerably shorter than the 40 hours that is now the standard.

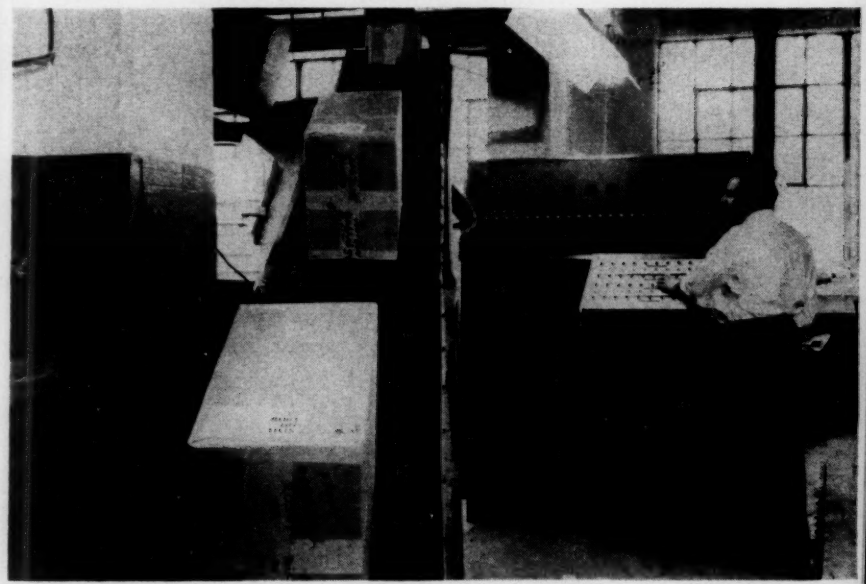
Walter Reuther, president of the CIO, gave employers a sort of preview of what can be expected, by looking toward a goal of a four-day week of 32 hours by 1965. Officials of two AFL unions backed him up with testimony predicting a workweek of 32 or 35 hours in the next decade.

The start toward this goal will be gradual. At first, unions are expected to be willing to settle for 37 or 38 hours. Some unions are talking in such terms now, and a few already have achieved workweeks of 35 to 37 hours in some plants where they have contracts.

This process of chipping away at the 40-hour week is to continue for several years, union leaders believe. A few more unions probably will be able, in that period, to get their industries to shorten the work week.

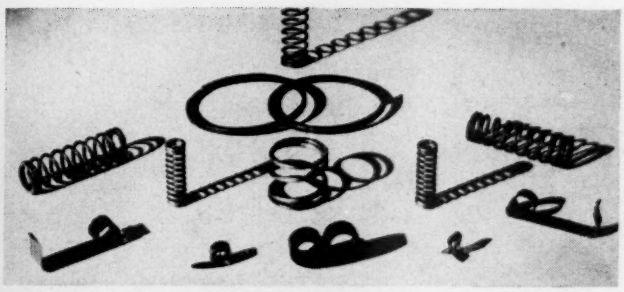
The bigger industries such as steel, autos, coal and electrical equipment, it is believed, will not be confronted by this issue until about 1960, barring a depression. If unemployment should become

(Continued on page 110)

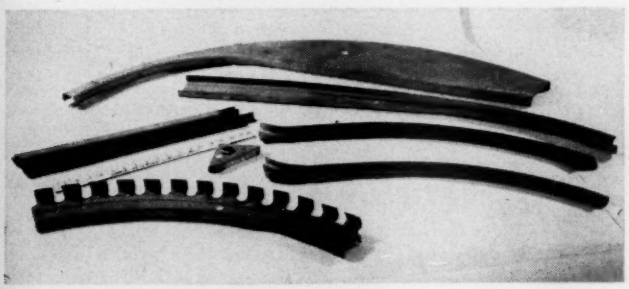


THIS MACHINE FILLS ORDERS
How many workers will be displaced?

new Armco Stainless Steel offers advantages for many products



Mechanical properties of Armco 17-7PH Stainless Steel wire are generally comparable to music wire. This means that the same spring capacity can be obtained in a corrosion- and heat-resistant spring as in a carbon steel spring, without increase in size.



Here is what a manufacturer of vital aircraft parts gained by changing from Type 301 stainless to Armco 17-7PH strip: 50.94% increase in yield strength; ultimate tensile strength increased from 150,000 psi minimum to as high as 185,000 psi.

This handsaw demonstrates one of the many unusual qualities of a new Armco Stainless Steel.

Known as Armco 17-7PH, this new stainless won't take a set when severely flexed. It is tough, corrosion-resistant. And in handsaws, for example, it holds a sharp edge.

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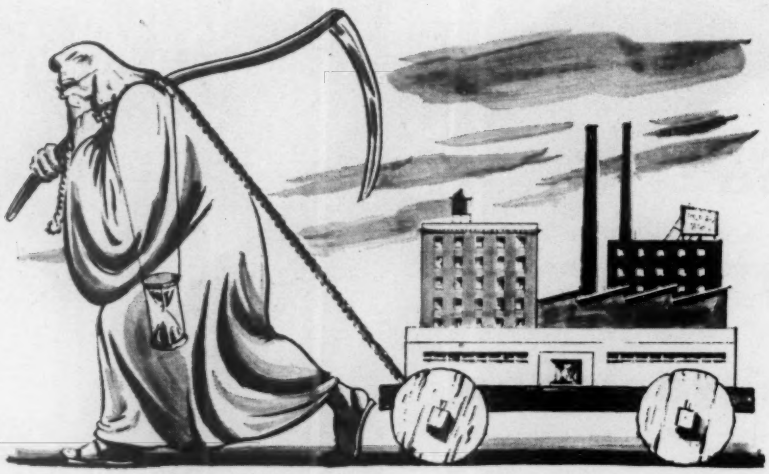

Is your plant moving *away from the market?*

The pace of Florida's growth has quickened. The "Sunshine State" has shown a 46% increase in population during the last ten years. Bureau of Census figures indicate it will gain another 34% between 1950 and 1960. Sixty years ago there were only 500 families in Miami, Florida. Now, more than two million people use the Miami airport each year. Fast-growing Florida is strategically located to serve the entire Southeast PLUS the giant Central and South American markets just over the horizon.

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FLORIDA

The Sunshine State

Shorter week high on Auto Union's list . . .

widespread, union officials say, there may be a speed-up in the timetable, an effort to share the jobs.

The timetable in autos for example, has been fixed to some extent by the United Auto Workers Union, which Mr. Reuther heads. At its convention last spring, UAW voted to put the shorter workweek at the top of its list of demands, "after the guaranteed wage has been achieved."

Mr. Reuther won concessions this year in the form of a layoff-pay plan, but he has said it was merely the first step toward the annual wage. His contracts with auto companies run until mid-1958. Mr. Reuther hopes to move closer to the

—Wide World

CIO'S WALTER REUTHER
. . . looking 10 years ahead

annual wage in 1958, but auto manufacturers say they will oppose further efforts in that direction.

Thus, unless Mr. Reuther changes his goal for 1958, the auto industry may not face a showdown over a shorter week until about 1960. The Auto Union has made a practice of signing contracts for at least two years at a time.

Whether Mr. Reuther would first seek a 35-hour week, or would call for a drop to 32 hours in one step, is a question he left unanswered in his recent testimony. He mentioned as a 10-year goal the 30 or 35-hour week, but later talked of asking for a 4-day week of 8 hours a day.

Labor-union officials expect the unions to move to the 30-hour goal by stages, but there is no doubt about one thing: Unions will demand that workers receive the same weekly pay which they now get for 40 hours, regardless of the cut in schedules. It will be easier to do this if small "bites" are taken in hours.

. . . Steel: 1957 may bring drive for cut in hours

This practice of boosting the hourly rates to keep weekly earnings intact has been followed in most industries where work schedules have been reduced. And, on top of those increases, the unions will be expecting other raises each year in order to boost the worker's weekly take-home pay.

In steel, this drive for a shorter week may get under way next year, although no big changes are expected that soon. The president of the CIO Steelworkers, David J. McDonald, last week gave a tip-off to his plans.

Mr. McDonald said he will propose that the union demand overtime pay for any work done on a Saturday or Sunday.

—Immel in the Peoria Journal

"COST'ROPHOBIA VICTIM"
And now, a 30-hour week?

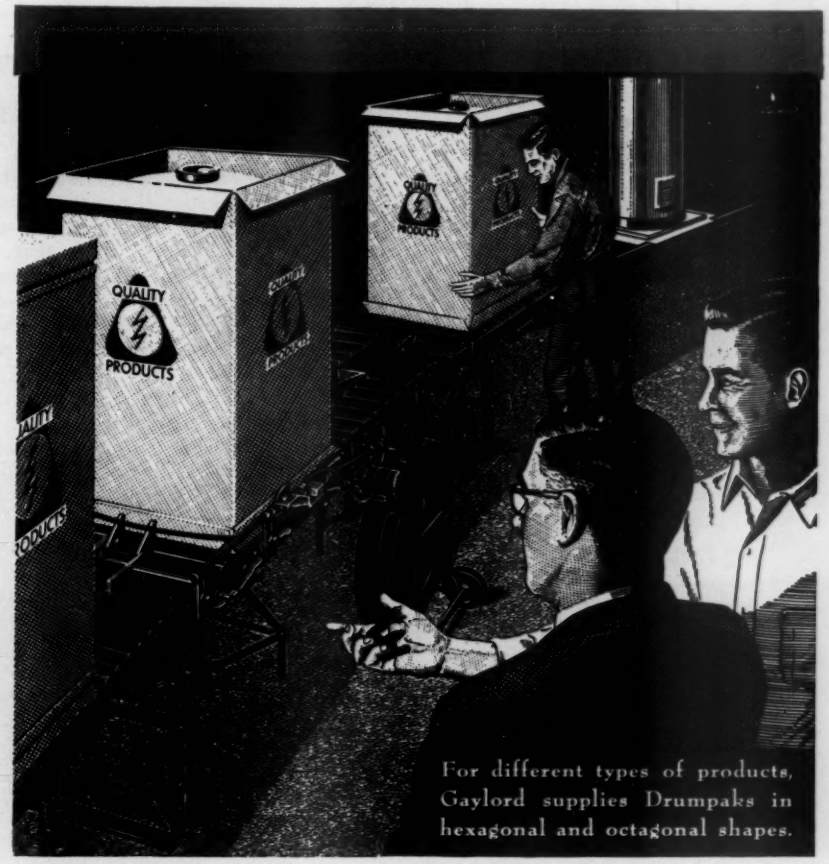
The industry now staggers its schedules, so that some workers are on the job on week ends but get their two days off during the week. Premium rates are not paid for the week end, unless a worker puts in more than 40 hours for the week.

The McDonald proposal is seen as the preliminary move for a shorter week, but the Steelworkers' president made it clear the main demand in 1955 will be for the annual wage.

A hitch may develop along the way in these union plans to shorten the work-week. The same congressional hearings at which Mr. Reuther and other union leaders predicted a shorter week produced more cautious forecasts from some employers and economists. The investigators were told that a shortage of workers, not unemployment, will be the big problem in years ahead.

These employers and economists took the position that any workers displaced

(Continued on page 112)



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. . . Now working less than 40 hours: nearly 1 in 6

by automation's advances will be absorbed in other jobs because the economy will be expanding rapidly. Some of the witnesses, at least, did not think that industry will be able to reduce the workweek in the next decade.

Union spokesmen, on the other hand, supported CIO President Reuther's goal of a four-day week. For example, Otto Pragan, research director of the AFL Chemical Workers, predicted a 35-hour week by 1965, while Howard Coughlin, president of the AFL Office Employes Union, spoke of a 32-hour week coming in the next 10 years.

Shorter weeks are here, in fact, for some workers. An AFL report estimates that nearly one of every six workers now is on a schedule of less than 40 hours a week. The estimate is based on Labor Department surveys made in the larger cities.

The AFL Ladies' Garment Workers, for example, expects to have more than 90 per cent of its members on a 35-hour week by next January.

A schedule of 36 hours, spread over six days, has been in effect in many contracts of the CIO Rubber Workers. AFL printing unions have many members on a 37½-hour week and some on 35 hours. AFL construction trades have a 35-hour week for about one of every eight craftmen. A 30-hour schedule is in effect for about 18 per cent of the plasterers, a Labor Department survey shows.

Kind Words for Labor Merger From a Man Unions Criticize

Kind words for the union movement came last week from a man who has been criticized by labor leaders for his votes as a member of the National Labor Relations Board.

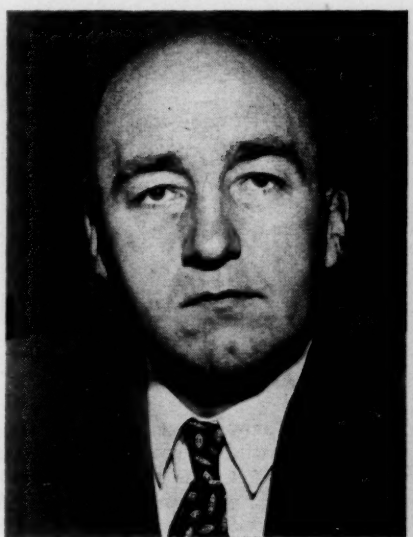
Philip Ray Rodgers, acting chairman of NLRB and an Eisenhower appointee, made a speech in which he praised union officials and predicted success for the coming merger of the American Federation of Labor and the Congress of Industrial Organizations.

Discussing the merger, Mr. Rodgers said he did "not join with those who see in this development either economic collapse or political chaos." He added, "It is my sincere belief that this merger will achieve a notable success."

Bringing the two big labor organizations into one federation was inevitable, Mr. Rodgers said. He reported that NLRB cases show that "unions have been expending too great a proportion of their time and substance vying with each other to change the affiliation of workers already organized."

Pointing out also that unorganized workers far outnumber those who are members of unions, Mr. Rodgers commented: "Add to that situation the undisputed fact that the organized worker has progressed much more rapidly and attained a status much more enviable than has his unorganized brother, and you have the ingredients of a boom market in the product which this organization [AFL-CIO] is equipped to offer—the benefit and protection of union membership."

Therefore, Mr. Rodgers predicts: "It is an almost certain event that this new organization will find millions of ready buyers for its product and services, with the result that both unionization and collective bargaining will come to encompass an ever-broadening part of our economy. The results of such a development, measured against experience, would seem to promise both general and specific economic advantages."



—Harris & Ewing

NLRB'S PHILIP RODGERS
. . . predicts union membership will boom

Labor leaders came in for praise. "The men who lead American unions," said Mr. Rodgers, "are for the most part men of vision, intelligence and capacity—men who would have attained substantial success in any field of endeavor they may have chosen."

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Now Clary brings you fabulous new *color coordinates*...in the world's most advanced 10-Key and Full Key adding machines. Now Clary achieves the perfect blending of brilliant performance with modern design...*color keyed* to your contemporary office and new pastel typewriters. Now, more than ever...Clary makes a girl's job a joy!

YOU ARE INVITED to see the new Clary "color coordinates" at your nearby Clary dealer or Factory Branch Office. Or for full details, write Clary Corporation, Dept. U-105, San Gabriel, California.

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140 Gallons of Pure Water Each Day

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SIXTY PAILS of water a day! That's the amount the nation's Water Works must provide—every day—for each man, woman and child they serve.

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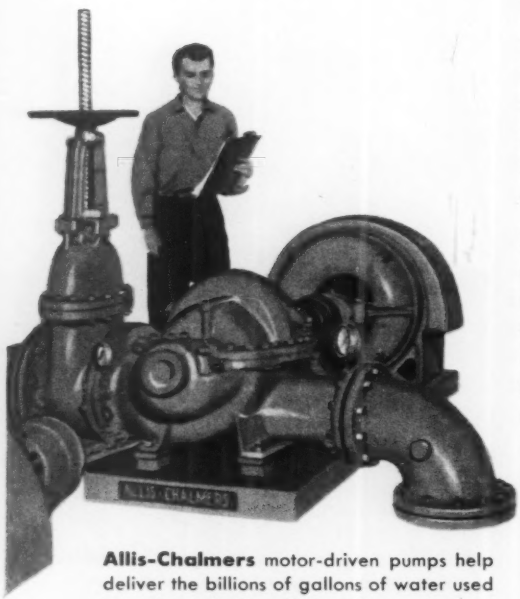
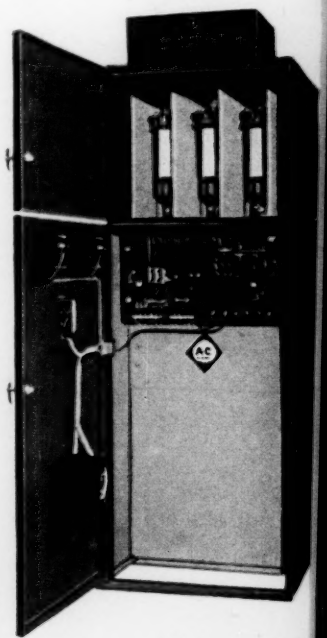
Before water is fed into the mains on its way to home or factory it goes through settling, aerating, filtering and chemical processes to assure its clearness, pureness and taste. Powerful pumps like the one shown here made by Allis-Chalmers aid in all of these processes—then deliver pure water to homes, hydrants and industries through vast pipeline systems.

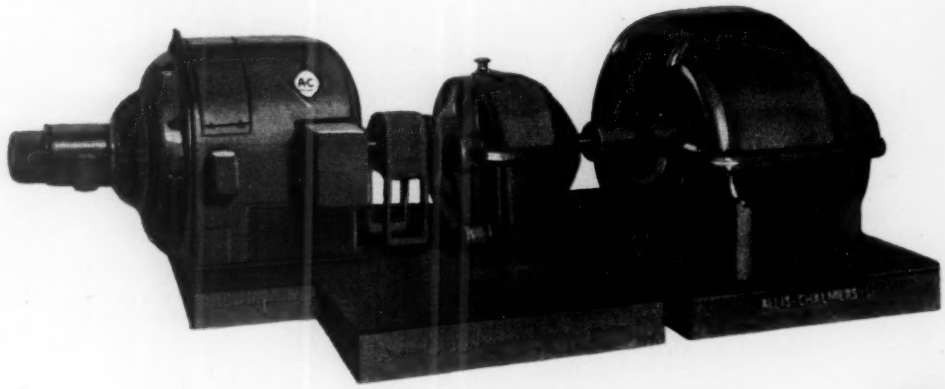
Allis-Chalmers makes a wide range of machinery for public works—including pumps for every purpose and a full line of electric power equipment. All contribute toward healthier, happier living for your neighborhood—better living for everyone! Allis-Chalmers, Milwaukee 1, Wisconsin.



Allis-Chalmers motor-driven pumps help deliver the billions of gallons of water used in towns and cities all over the country.



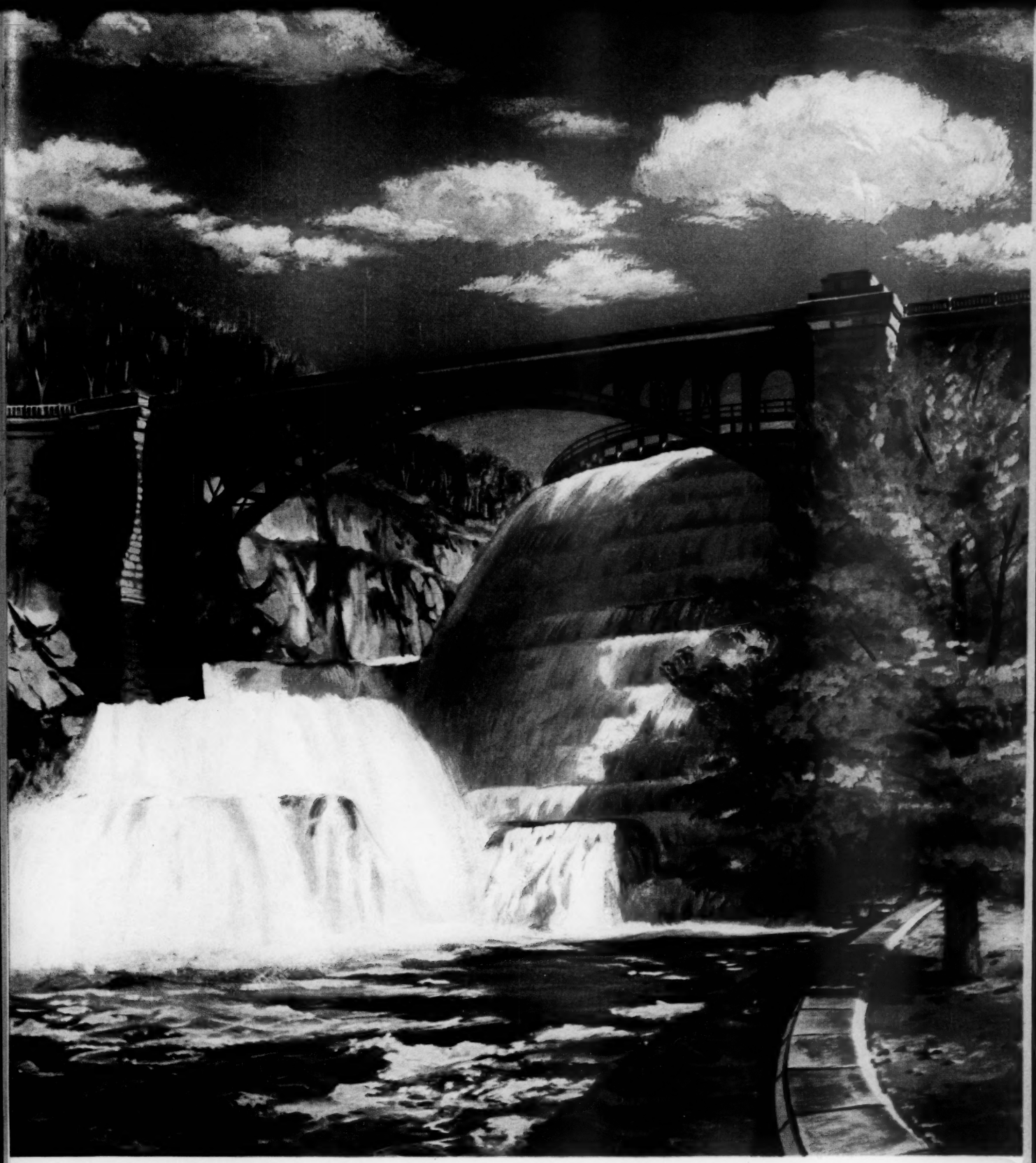
Allis-Chalmers motor starters control the machinery used in both water and sewage disposal works.



Allis-Chalmers motors and blowers provide air used in aeration of water; also help process sewage into usable by-products.

Machinery a

ALLIS



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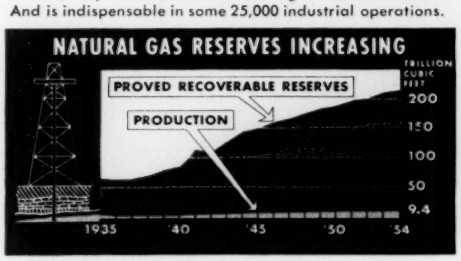
Pacing the industry's progress, Tennessee Gas has laid the groundwork for a bright fuel future.

Let's go, America . . . we've got the gas.

Long the preferred fuel for cooking, natural gas—plentiful and dependable—is now heating 14 million homes. And is indispensable in some 25,000 industrial operations.



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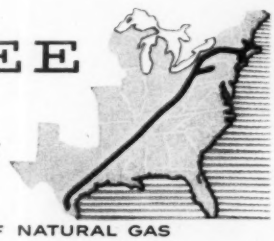

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PLUS & MINUS
Latest Indicators of Business Activity

Business activity is still rising, but money is harder to borrow and the future rate of home building is threatened by the growing difficulty that builders have in lining up mortgage financing.

Department-store sales rose to 124 on the indicator in the week ended October 15, up 8 per cent from a year ago and equal to this year's peak, reached in July.

Factory output held at 143 on the indicator, maintaining the record rate of September. Auto production rose sharply as plants speeded output of 1956 models. Steel mills operated at 96.5 per cent of capacity.

The money market has been tightening.

Member banks of the Federal Reserve System, short of lendable funds, increased their borrowings from Federal Reserve Banks to more than 1 billion dollars in the week ended October 19, the largest indebtedness since the money squeeze in 1953.

The yield on U. S. Treasury bills increased to 2.333, highest since June, 1953. A year ago it was 0.987.

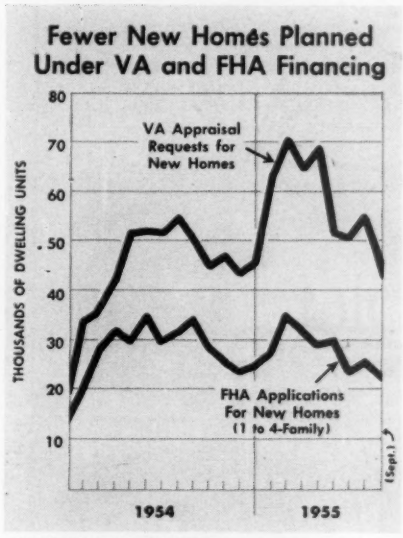
Commercial paper of 4 to 6 months' maturity rose in yield to 2¾ per cent, more than double the rate of 1.31 in October, 1954.

Bank loans to business are commanding still higher rates. New York City banks charged business concerns an average of 3.48 per cent for best-quality short-term loans in the first half of September. That is up ¼ percentage point since June.

Bond yields have fallen a bit since early September but remain substantially above a year ago.

Mortgages, favored by lenders as an investment earlier this year, are less attractive now that banks and other institutions can earn higher returns than formerly on other kinds of paper. Commitments for future home loans are harder to get than at any time in more than two years.

Stiffer terms are being asked. VA mortgages, when resold by lenders, go at discounts ranging up to 8 points from their face amount. In some cases, FHA loans also sell at a discount. Shoppers for "conventional" mortgages find less 4½ and 4¾ per cent money. In most cities, 5 per cent is the best rate one can get.



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Source: Housing and Home Finance Agency

Risks are being studied more carefully by mortgage lenders, who try to screen out the poorer loans. Credit tends to go to borrowers who can make larger down payments, pay off loans in the shortest time. New homes get a preference over old ones; choice neighborhoods over those less desirable. Small builders, because of their weaker credit standing, tend to have more trouble arranging loans than large builders.

Fewer homes are being planned under VA and FHA financing, as the top chart shows. VA appraisal requests and FHA applications fell in September to their lowest in 18 months.

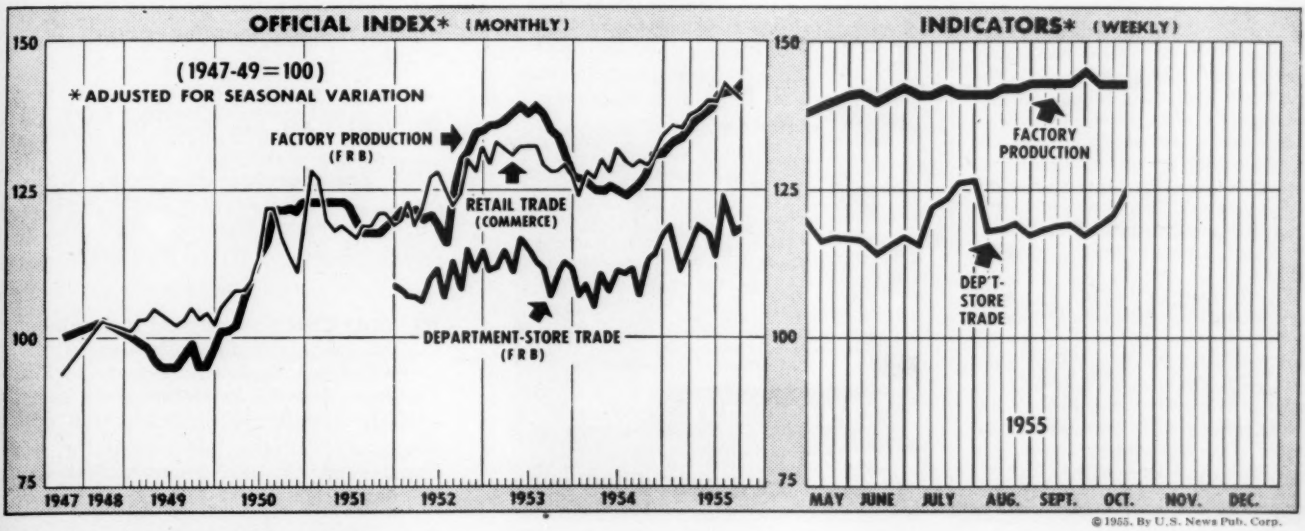
Pressures on the money market come from many sources.

Bank credit is in strong demand. Business loans have risen 1.3 billions at weekly reporting banks since June 30. Heavy sales of autos and home furnishings are lifting the volume of installment credit.

Bond and stock financing was heavy in October. States and municipalities scheduled a record total of financing. Corporate financing was the largest since late in 1953.

Savings by consumers are at a diminishing rate. Withdrawals from savings and loan associations recently have been high in relation to the inflow of savings. Consumers spent 94.3 per cent of their after-tax incomes for goods and services in the third quarter, saving 5.7. The savings rate was below that for any year since 1949.

Supply of money for home building, now reduced, can rise a great deal if business activity levels off and money policy of the Government softens. Right now, however, builders have an anxious eye on the money market.



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NEWS-LINES

WHAT YOU AS A BUSINESSMAN ☑ CAN and ☒ CANNOT DO

as a result of recent court and administrative decisions

☑ **YOU CAN** treat as a ***capital gain*** your profit from the sale of a large tract of land, which has lost its usefulness in your business, even though the property is sold in small parcels. This tax treatment is allowed by a court of appeals in a case involving sale of a ranch.

* * *

☑ **YOU CAN,** as an employer, probably discontinue one of your business operations rather than yield to union demands for a wage increase. A court of appeals finds that an employer did not violate the ***Taft-Hartley Act*** by doing this and discharging some of his employes.

* * *

☑ **YOU CAN,** in leasing out many types of ***motor vehicles,*** base your charges on a percentage of the amount to be earned by the persons renting them. This change in regulations, effective December 1, is announced by the Interstate Commerce Commission. The Commission also modifies its 30-day-lease rule by permitting round-trip leases of tank trucks and automobile carriers.

* * *

☑ **YOU CAN** make a bid to buy ***wheat*** from the Government for export. In a move to ease congestion of storage facilities on the Atlantic and Gulf Coasts, the Department of Agriculture offers for sale, on a competitive-bid basis, 4 million bushels of the grain. The wheat will not qualify for export-subsidy payments.

* * *

☑ **YOU CAN** buy from the Government a publication containing revised ***procurement directives*** of the Navy. The publication is being sold by the Government Printing Office, Washington 25, D. C., for $2.50 a copy.

* * *

☑ **YOU CAN** probably get more ***nickel*** for manufacturing purposes in the period ahead than you expected. The Director of Defense Mobilization issues an order permitting diversion of 6 million pounds of the metal from the national stockpile in November and December.

☑ **YOU CAN** express your views at a public meeting called by the Securities and Exchange Commission to consider changes in its regulations governing exemptions and restrictions of ***securities dealers*** in the U. S. and Canada. The hearing will be held in the Commission's Washington office November 15. Those wishing to appear should notify SEC by November 7.

* * *

☒ **YOU CANNOT,** as a manufacturer of license-plate frames, avoid paying a federal ***excise tax*** on frames which bear a car dealer's name and are given by the dealer to his customers for advertising purposes. A federal district court holds that such frames are subject to the manufacturer's excise tax as automobile accessories.

* * *

☒ **YOU CANNOT,** in handling the ***income tax*** of a corporation, take a deduction for payments made to a hospital under an agreement that your employes have use of the hospital's facilities for a period of years. The Internal Revenue Service says that a company cannot deduct such payments either as charitable contributions or as business expenses.

* * *

☒ **YOU CANNOT,** as a farmer, count on planting as much ***cotton*** in 1956 as in 1955. In calling for marketing quotas next year, the Secretary of Agriculture cuts national planting allotments 4 per cent below 1955 allotments.

* * *

☒ **YOU CANNOT** get around complying with the ***Wage-Hour Act*** if you are engaged in the business of renting out automobiles and trucks and also receive considerable income from selling used vehicles. A court of appeals rules that the employes of such a business are engaged in commerce or production of goods for commerce and the firm is not exempt from the Wage-Hour law.

* * *

☒ **YOU CANNOT** expect the National Labor Relations Board to throw out the results of a ***collective-bargaining election*** on the basis of something that took place before the Board ordered the election. In a case where the complaint was made by a union, NLRB refuses to invalidate an election.

Conclusions expressed in these paragraphs are based upon decisions and rulings of courts and Government bureaus. In making their decisions, courts and bureaus consider many facts which, for reasons of space, cannot be set forth in detail. U. S. NEWS & WORLD REPORT, *on written request, will refer interested readers to sources of this basic material.*

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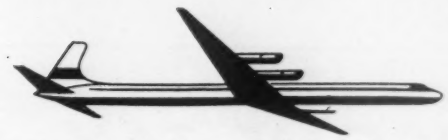

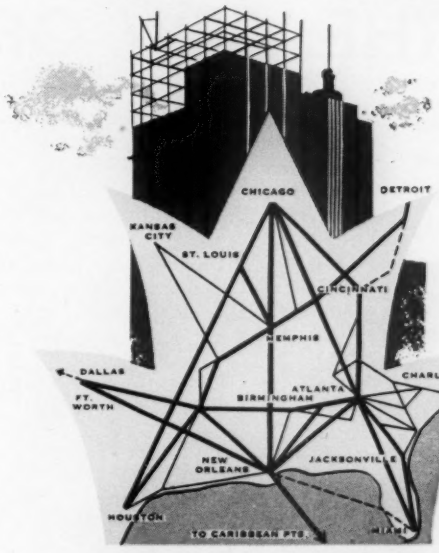

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INCOME TAX: MODERN "MONSTER"—THAT'S THE VIEW OF OFFICIALS

Taxpayers who complain about the income tax are finding new friends in strange places—in the Internal Revenue Service, Treasury, elsewhere.

Officials, more and more, are coming to doubt that the tax—in its present complicated form—can be enforced effectively.

How can it be, they ask, when nobody understands it?

The retiring Commissioner of Internal Revenue, T. Coleman Andrews, is taking with him the conviction that the federal income tax has become much too involved, too complex and too difficult to administer.

You can expect the outspoken Mr. Andrews to have a great deal to say—and write—about the tax on incomes of individuals and corporations when he sheds the responsibilities of office. Until then, he isn't talking.

What's wrong with the income tax, however, is something that other officials—in Internal Revenue and other agencies—are willing, not to say anxious, to discuss at length. To many of them, the tax has become a "monster." How, they ask, "can any agency, no matter how big, enforce anything as complicated as this against 60 million taxpayers?"

Their opinion is widely shared by those who must pay the country's top revenue-raising levy.

Looking at the levy broadly, officials say that, in 40 years of amending and reamending, the tax has ceased to be a genuine income tax. It's paid out of income—like all taxes—but its bite is no longer measured by the amount of an individual's or a corporation's real income.

In its present form, these officials feel, the tax often is a hit-or-miss proposition. Even for taxpayers with the same incomes, it hacks off huge chunks of cash in some cases, takes varying wedges of income in other cases, and lets the taxpayer go free in still others.

The hitch clearly recognized by these officials, however, is that—unenforceable or not—the income tax produces 52 billion dollars a year. This is nearly $3 out of every $4 the Government collects in taxes. That revenue is going to have to be preserved in any solution of the income tax riddle.

The key: high rates. Among officials who are willing to discuss the income tax, there is rather general agreement that higher and higher rates have created most of the problems. Those rates, for individuals, now take as much as 91 cents out of each dollar in the top layer of income of some taxpayers. Result, as one official puts it, is "a high premium on tax evasion."

Another illustrates it this way: "Take the man who pays a top rate of 75 per cent. Every $1,000 of income he hides from Internal Revenue means $750 in his pocket, if he gets away with it. If he's caught, the odds are he'll just have to pay the tax, plus moderate penalties. Intent to defraud is difficult to prove. The whole thing offers a big temptation to evade."

Special relief. An additional product of high rates is pressure on Congress to grant special relief. Rates have mounted from an original top of 7 per cent on individual income of more than $500,000 to a present 50 per cent on an unmarried person's income beyond $16,000 and a maximum of 91 per cent on income beyond $200,000. As those rates rose, all sorts of groups have poured into congressional hearings pleading for special tax relief.

"So what happens?" asks an official. Then, answering his own question: "Congress gives in to appeal after appeal—each more worthy than the one before, but each blocking off more and more income from the tax."

—USN&WR Photo

A CONSTANT PUZZLE: WHAT TO PAY
Even revenue agents don't know all the answers

The 1954 job of rewriting the Internal Revenue Code, say officials, was only the latest example of this trend. More and more income has been given outright exemption. More and more of what the taxpayer has to spend for living, or in his business, is made into deductible expense. Less and less income is taxable.

This means that, in order to get revenue, rates must be higher on income that actually is taxed. Some taxpayers get relief—others get hurt.

To the officials who must police what is called a "self-assessed tax," however, it all means something far worse.

Complicated rules. In giving special relief to individuals and corporations in

(Continued on page 122)

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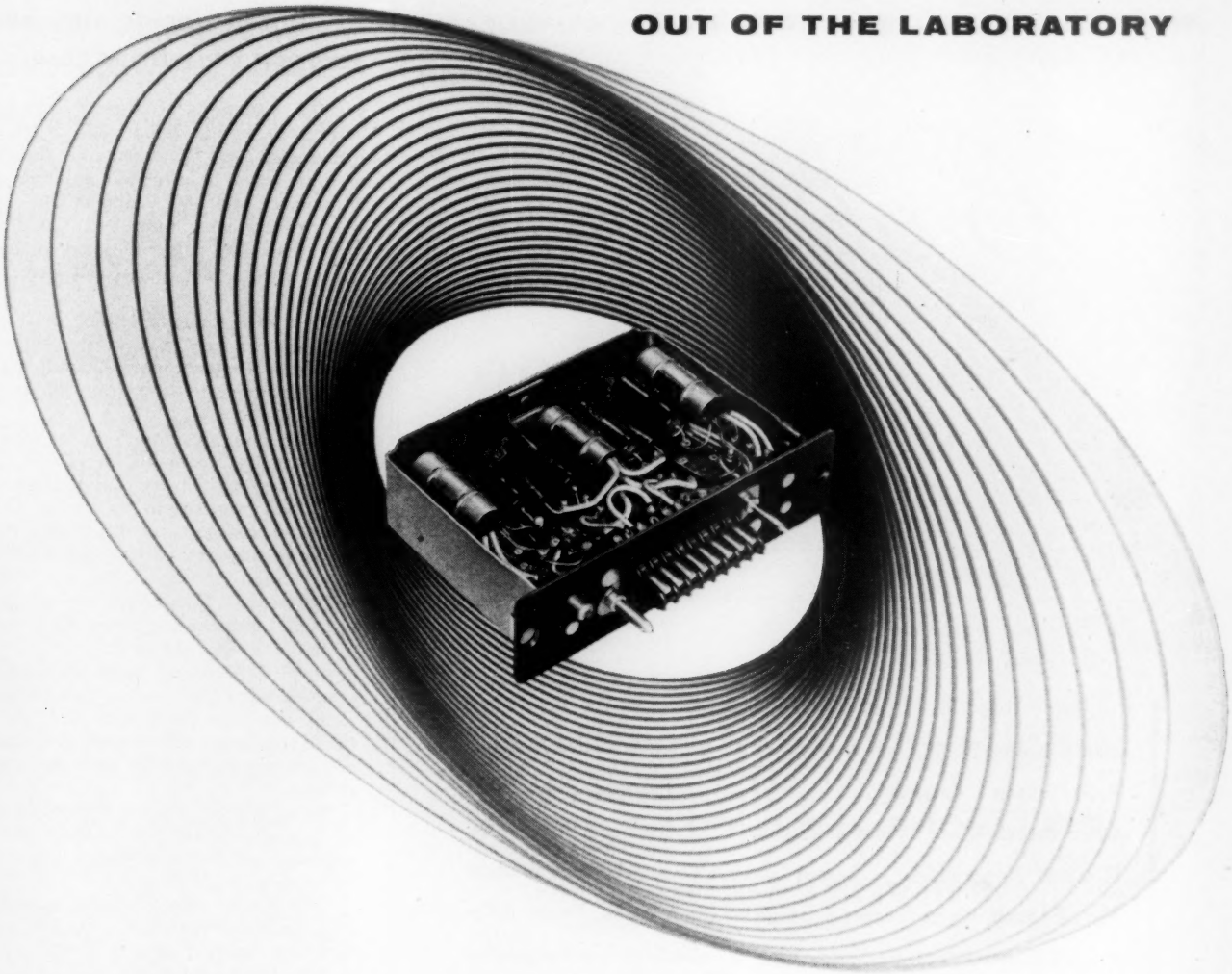

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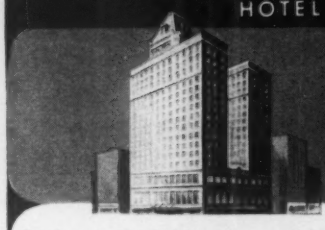

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"Dozen agents may need years on 1 tax-fraud case" . . .

specific situations, Congress has been careful to hedge relief with rules, requirements and qualifications designed to limit relief to intended amounts and situations. After 40 years of this, even the revised and simplified Code has more than 400 pages of legal language on the income tax alone. But that's just the start.

Each new grant, or closing of a loophole, opens a new area of law. And each new area requires complicated regulations designed to carry out the precise intent of the law.

"With a high premium on tax evasion or avoidance," explains an official, "you can be sure that every one of these new laws and regulations is going to be stretched, twisted and thoroughly tested by some taxpayer, or by many. In the end, though, it's the courts that have to write the law. Taxpayers are not going to pay 91 per cent, or even 50, if there's a chance to get out of it."

Result: thousands upon thousands of court-decided tax cases, each with its small or large precedent that can let other taxpayers know what they can or can't get away with on their income tax returns.

Who, officials ask, can keep up with all this? And how can Internal Revenue enforce, and the courts rule on, anything so complicated?

"When you consider the intricate financial deals that people engage in," says a Revenue Service official, "you can see how it may take a dozen or more revenue agents many months, or years, to prepare a tax-fraud case against one individual. Then it's likely to take years to get the case settled in court."

Most of the cases now reaching final decisions in the courts, in this situation, are cases begun years ago in offices of Internal Revenue all over the country. The U. S. Tax Court is jammed with cases that are many months or years old.

Tax evasion–fostered by a high premium, complicated rules and apparent low risk–is only one unfortunate result that officials blame on the present situation.

Hard on taxpayers. Taxpayers who have no desire–or much incentive–to evade taxes also get hurt. "No matter how much we sweat over the regulations, forms and explanations," says a Revenue official, "we can't make all of them intelligible to all taxpayers."

This official cites as an example the tax relief granted last year to aged individuals on their retirement incomes. In writing the law, Congress first had to define "retirement income," giving a

. . . "How many aged people understand relief provision?"

tax cut on some forms of income, denying it on others. Then it seemed necessary to describe carefully the situations in which aged people would be eligible for this new grant of tax relief.

Result was so complex that Internal Revenue officials themselves did not understand. "Either that," says a rueful tax official, "or Congress didn't understand it, because our interpretation of the new law was quite different from theirs."

Outcome of this mix-up was that the brand-new revenue forms mailed out to millions of taxpayers early this year slapped a very severe limitation on the relief for retired people, and howls went

—Berryman in the Washington Star

"CLEANER THAN IT WAS"
Mr. Andrews will talk later

up all over the country. Immediately, revenue officials—though they still thought their reading of the new law was correct—issued an announcement that retired people could figure their tax relief in a more generous fashion, and not the way called for on the form.

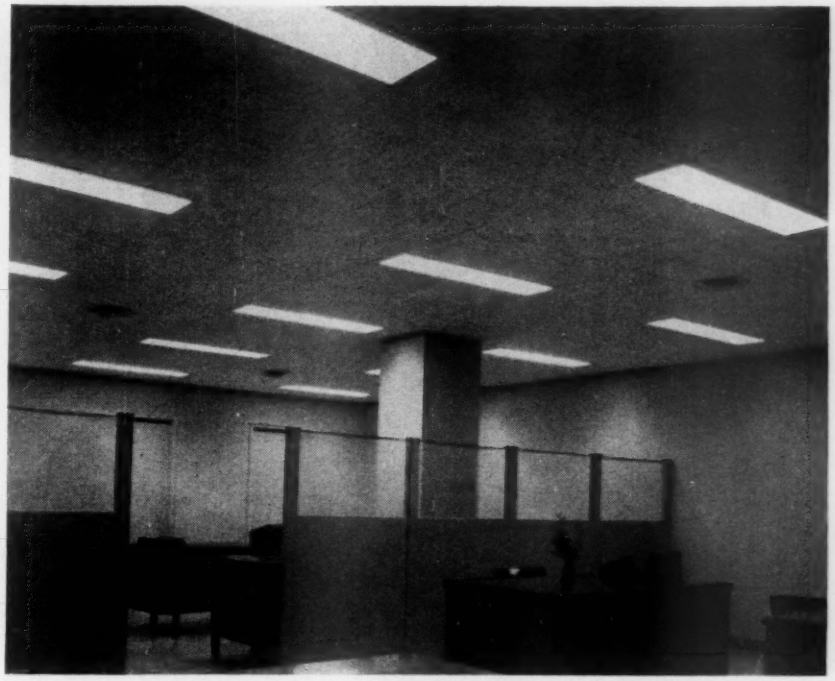
The new form 1040, you can be sure, corrects this discrepancy. But that still leaves many revenue officials unhappy. Asks one:

"How many aged people do you suppose understand this new relief provision, and can figure out how to fill out their tax form and claim their relief?

"And how many people with really complicated financial dealings can even begin to apply the law and the regulations and court precedents to their own situations?"

Tax take suffers. Upshot of all this, many officials are convinced, is that "too many taxpayers are getting away with

(Continued on page 124)



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. . . Tax angle dominates countless business decisions

something less than their share of the cost of Government."

Another result is that taxes and tax rules have become the dominant factor in individual and business decisions that should be decided on other grounds.

Countless companies, officials concede, are all but forced to make complicated and important decisions on the basis of what the tax results will be—not on the basis of what the business results will be. Where a slight change in plans or procedures can mean millions of dollars in after-tax profits, the change will be made more often than not.

And, where only a slight stretching of a regulation can mean millions, the attempt to stretch will be made, according to those charged with enforcing the tax.

All this, some officials believe, is undermining the income tax. No self-assessed tax, these officials insist, is going to be applied effectively where taxpayers get the idea that evasion or avoidance pays off big, and where rules are complicated enough to offer innumerable opportunities.

This is the opinion that is growing in the Internal Revenue Service, in the Treasury Department and elsewhere.

› Life insurance. More and more people who come into life insurance benefits are using those benefits to set up a continuing income, rather than take their cash in a lump sum. Last year, 760 million dollars of new benefits were converted to future income—compared with 380 million in 1940.

› Farm mortgages: bigger. Farmers are borrowing bigger sums on their property these days. Owners who got mortgages in the first half of 1955 borrowed an average of $7,050—or $1,100 more than in the first half of 1954—according to the Farm Credit Administration. And the 1.3-billion total borrowed by farmers on mortgages in the first half of 1955 was the biggest amount on record.

› Industry expansion. The Eisenhower Administration is on notice from the steel industry that the huge expansion needed in steel capacity in years just ahead will not be forthcoming unless the industry is permitted to take bigger deductions in taxes on its investments. In other words, an industry spokesman explains, Government must permit the industry to write off its investments more quickly for tax purposes; without this, funds obtained from profits and from the sale of securities will not be sufficient to finance needed growth.

(Advertisement)

Now Puerto Rico Offers 100% Tax Exemption to New Industry

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"We don't want runaway industries" says Governor Muñoz. "But we do seek new and expanding industries." Federal taxes do not apply in Puerto Rico, and the Commonwealth also offers full exemption from local taxes. That is why 317 new plants have been located in Puerto Rico, protected by all the guarantees of the U.S. Constitution.

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IN A dramatic bid to raise the standard of living in Puerto Rico, the Commonwealth Government is now offering U. S. manufacturers such overwhelming incentives that more than three hundred new factories have already been established in this sunny island 961 miles off the Florida coast.

First and most compelling incentive is the 100% tax exemption for most manufacturers who set up new plants in Puerto Rico.

For example, if your company is now making a net profit after taxes of $53,500, your net profit in Puerto Rico would be $100,000—a gain of 87 per cent, simply because Federal corporate income taxes do not apply in Puerto Rico and all local taxes are waived as well.

Your dividends in Puerto Rico from a corporation there could be $50,000 against $25,000 net in the U. S.—because Federal personal income taxes do not apply either.

What About Labor?

Puerto Rico's labor reservoir of 650,000 men and women has developed remarkable levels of productivity and efficiency—thanks, in part, to the Commonwealth's vocational training schools. These schools also offer special courses for managers and supervisors.

The progress made in technical skills may be gauged from the fact that there are now twenty-eight factories producing delicate electronic equipment.

Among the U.S. companies that have already set up manufacturing operations in Puerto Rico are Sylvania Electric, Carborundum Company, St. Regis Paper, Remington Rand, Univis Lens, Shoe Corporation of America, and Weston Electric.

CORPORATE TAX EXEMPTION

If your net profit after U. S. Corporate Income Tax is:	Your net profit in Puerto Rico would be:
$ 17,500	$ 25,000
29,500	50,000
53,500	100,000
245,500	500,000
485,500	1,000,000

DIVIDEND TAX EXEMPTION

If your income* after U. S. Individual Income Tax is:	Your net income in Puerto Rico would be:
$ 3,900	$ 5,000
7,360	10,000
10,270	15,000
14,850	25,000
23,180	50,000
32,680	100,000
43,180	200,000
70,180	500,000

*These examples are figured for dividends paid in Puerto Rico to a single resident. Based on Federal rates effective Jan. 1, 1954.

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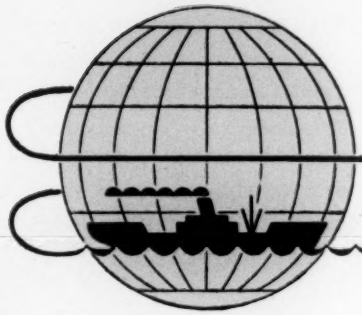

Business Around the World

DÜSSELDORF • FRANKFURT • COLOGNE • BONN

›› Here is the reason West Germany's boom worries the Bonn Government: Business is a bit too good. What the Germans call "overheating" of the economy has become a real problem. It is time, Bonn says, for stabilization.

You see why when you visit the Ruhr and talk with businessmen.

Full-capacity operation is common. It's true in steel, coal, machine tools, electrical equipment, shipbuilding, automobiles, trucks.

Unfilled orders for steel products keep piling up.

Shipyards, fully occupied, can no longer quote early deliveries.

Building boom, sky-high, creates materials shortages, sucks in labor from other industries. Labor shortages are becoming acute.

Squeeze is worst in capital goods, stemming in large part from the huge plant expansion induced by attractive tax concessions to business.

›› Imports are booming, too. They have to, to keep Germany going.

Coal imports--from U.S., Saar, Poland--are treble last year's tonnage. Import costs are way up for coal, iron ore, lumber, nonferrous metals.

Total German imports are bigger now than exports. Trend will continue, if Bonn deliberately uses imports to keep German domestic prices down.

Gold, dollar reserves, though, are large, so big imports are no immediate problem. But another margin of safety, the importation of foreign labor, meets opposition from German trade unions. This applies especially to Italian workers. And the refugee flow from East Germany, while heavy, is uncertain, sporadic.

›› Heavy industry, in particular, is under forced draft in Germany today. Prices have just begun to reflect this situation. Credit is tighter, by action of the Central Bank. The Government hopes it can find new valves to let off business steam. But industrialists don't want anything changed. Their profits are noticeably good. Their order books are crammed.

›› In this overheated business atmosphere in West Germany, the Communists are touching off explosives where they'll do the Reds the most good.

It was Communists who engineered the recent strikes on the docks at Bremen, in the shipyards at Hamburg, in the locomotive works at Kassel.

These were all "quickie" strikes, condemned by the unions. Hamburg and Bremen were hotbeds of radicalism before Hitler, but there had been no strikes there since the war. The Kassel strike, it was noted, won higher wages.

Communist newspapers are surreptitiously circulated today in some 600 German industrial plants. Each paper is written especially for an individual plant and conditions there. It's an effective technique, the more so since

(over)

publications of German labor unions deal only with regional or national conditions.

>> Strange thing is how effective a very few card-carrying Communists have become in German plants. The number of card carriers is very small.

For example: A major automobile manufacturer estimates that, of his total work force of 25,000, perhaps 200 are real Communists. And yet, out of 29 members on the works council for his plant, 11 are Communists.

What's more, these Communists were actually put up for election on the union's slate, even though German unions are solidly anti-Communist.

This situation points up what's wrong with German unions.

In this case, for instance, the nearest union executive is a half hour's drive away from the plant. He doesn't know what goes on inside the plant or who the Communists are. He is under pressure from management to back up the more energetic, industrious workers. These, of course, often turn out to be Communists, who happily identify themselves with the union.

>> The fact is that German unions, passive since the war, operate in a kind of vacuum. They're not geared to deal with Communists.

Union leaders are far removed from the worker's actual problems.

The Communists exploit this organizational weakness by working inside the plants to improve working conditions--the job union leaders should be doing. This wins sympathizers who never would vote for Communists, as such.

Unions, also, have rigid, fixed ways of doing things. They negotiate wage contracts on national or regional bases, never on a plant basis. This kind of rigidity disgusts workers in times like these, when there are such obvious opportunities to demand and get big wage increases, first in one plant, then in another. Workers know employers now will settle rather than lose employes.

>> A few German union leaders are aware that a crisis is building up for them. In the important metalworkers' union, the leaders are under very strong pressure to get closer to the workers and their individual plant problems.

As some leaders see it, either they stir their stumps, or they lose out.

Employers, as a result, expect tougher attitudes in unions from now on.

>> For a sample of West German prosperity, try a week-end drive.

It's bumper-to-bumper traffic on the express highways and scenic roads.

More roads are indicated, but revenues aren't available. Toll roads are not in the cards. Tolls remind Germans of medieval robber barons.

Parking lots for workers will soon have to be provided. It's a new idea for German industrialists. Bicycle sheds for employes used to be enough.

Young Germany, especially, is on the move. The number of motor scooters, motor bikes and three-wheeled cars you see on the road is startling.

>> Installment buying is catching on in West Germany. This accounts for some of the increase in auto sales to Germans. To give just one example.....

Down payment on a $1,300 Olympia, made by Opel, General Motors subsidiary, is $435, with 18 months to pay off the balance. Carrying charge is 7½ per cent.

This isn't cheap, in German terms. The average German has to work 35 weeks to earn just the down payment on an Olympia. Nevertheless, Opel can't keep up with orders. You get the same story from Volkswagen and the others.

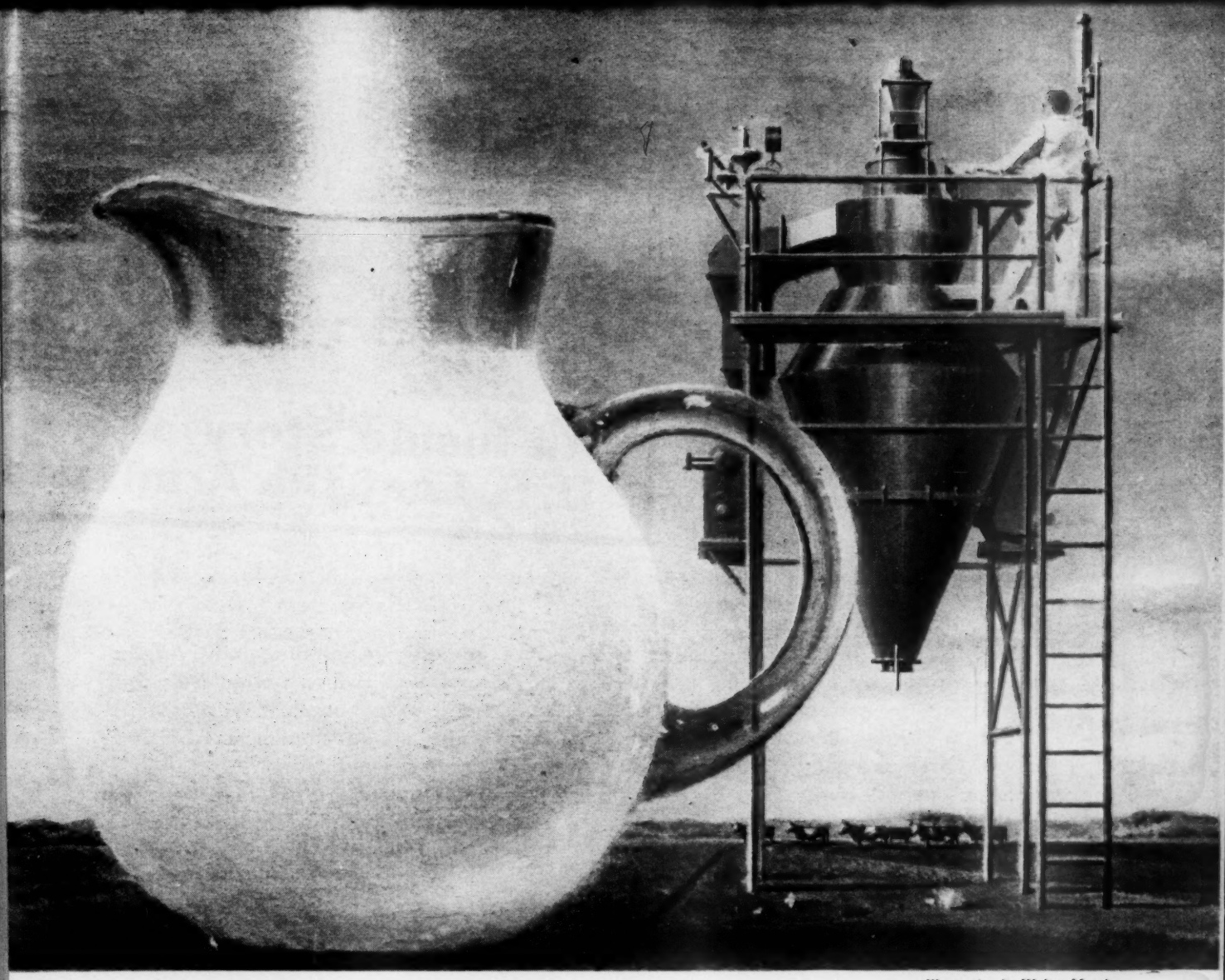

Illustration by Walter Murch

when instant means as quick as a flash

Powdered milk has had one major drawback — the relative difficulty of mixing the powder with water — any water, hot or cold. Even today, in some instances, electric mixers, rotary egg beaters or shakers generally have to be used to hasten dissolving the powder in the liquid.

However, "instant," as it now applies to powdered food products, has been speeded up. Blaw-Knox engineers, of the Dairy Equipment Division, have developed a revolutionary piece of equipment, called the "Instantizer." This machine produces powdered milk that dissolves immediately on contact with water. "Instant" now means "as quick as a flash," not only for powdered milk but for other powdered food products — as cocoa, coffee, puddings.

This is but another example of Blaw-Knox engineering achievements that are helping to improve products, increase productivity, lower costs, save time. The list below is indicative of the broad scope of Blaw-Knox activities.

again it's BLAW-KNOX

BLAW-KNOX COMPANY

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Engineering, Design and Plant Construction: Chemical, food, oil, gas and other industries; A.E.C., Chemical Corps, engineers

Castings: Heavy type steel and alloy castings; high alloy for resistance to extremes of temperature, corrosion, abrasion

Process Equipment: Evaporators, dryers, welded pressure vessels and digesters

Grating: Open steel flooring

Rolls and Rolling Mills, for Steel and Other Metals: Rolling mills, mill drives, shears, special equipment; rolls; open hearth equipment, including water cooled furnace doors, frames, reversing valves, dolomite machines and other auxiliaries

Piping and Sprinkler Systems: Pressure piping and automatic fire protection systems for chemical and power plants, steel mills, oil refineries and for process industries generally

Construction Equipment: Road building black-top and concrete pavers, spreaders, finishers, subgraders, rollers, truck-mixers, road rails and aggregate concrete mixing equipment; heavy forms (for subways, tunnels, dams); clamshell buckets

Towers: Radio, television, microwave, power transmission

Ordnance: Anti-aircraft gun mounts; armor castings for tanks

BLUNDERS BEHIND

An Inside Story of How U. S. Lost the Armistice

This is the story of how Communists negotiate, written by a man who has had much experience in dealing with the Reds.

Adm. C. Turner Joy was chief United Nations Command delegate at the Korean armistice negotiations for 11 crucial months.

In almost daily sessions across the conference table from a team of "first string" Communist negotiators, Admiral Joy made a study of their whole technique. Now, on the eve of new U. S. talks with the Communists at Geneva, he describes that technique in detail.

The author believes that Communist negotiators follow certain basic rules, whenever and wherever they operate. Blueprinting those fundamental Communist methods, he suggests a set of countermoves that Western negotiators can apply to defeat the Reds at any conference table.

The one negotiating factor that Communists respect, Admiral Joy suggests, is "naked, massive power, and the willingness to use that power when necessary." Any concession to the Reds is regarded by them as a sign of weakness, he warns.

You get the story of how the Communists "set the stage" for a conference, with close attention to minor details. Admiral Joy himself was given a midget-sized chair at Kaesong, so that the chief Western negotiator would appear smaller than his Communist opposite number.

On these pages, too, you meet the clever and arrogant Communist negotiators in action. There is Nam Il of North Korea—natty, sarcastic, nervous in the presence of his Chinese superior. There is Chinese General Hsieh-Fang—confident, fluent, dangerous. Here, in extracts from actual conference-table dialogue, you can sample the flavor of studied Communist insults.

You get a "negotiator's view" of the U. S. decision not to hit Red China after the Chinese struck in Korea. Admiral Joy discusses the repercussions of the firing of Gen. Douglas MacArthur. And he discloses a series of policy decisions made in Washington that hampered U. S. negotiators in Korea.

Admiral Joy now is retired, after a distinguished naval career that included active service in three wars and a term as Superintendent of the U. S. Naval Academy. As Commander Naval Forces, Far East, the Admiral directed the Navy's part in the Korean war.

THE KOREAN TRUCE

By Admiral C. Turner Joy
U. S. N. Retired

(The complete book, "How Communists Negotiate," by Adm. C. Turner Joy, U.S.N. (Ret.), is being published by the Macmillan Company, New York, on Nov. 22, 1955. *U. S. News & World Report* has obtained first serial rights in the United States, Canada and South America to print extracts from the book. Copyright on the book is held by Admiral Joy.

(Quotations up to 1,500 words are released for publication in morning newspapers of Tuesday, Oct. 25, 1955, and for use on radio and television at the same time. For any use in excess of 1,500 words prior to November 22, written permission must be obtained from *U. S. News & World Report*, and thereafter from the Macmillan Company.)

Extracts from the book follow:

FOREWORD *by General Matthew B. Ridgway, U.S.A. (Ret.)*

THROUGHOUT my tenure as Commander in Chief, United Nations Command, Admiral C. Turner Joy was the Commander of Naval Forces in the Far East. He served as Senior Delegate and Chief of the United Nations Command Delegation to the Korean Armistice Conference during my period of responsibility for the armistice effort. I could not overstate the value of his calm advice, his skilful performance, and his loyal personal support during that trying time. His qualities of absolute integrity, deep sincerity, and intelligent devotion to the best interests of freedom shone brightly through all the dark shadows of our negotiations with the Communists at Kaesong and Panmunjom. His power of penetrating analysis was superb. No one could have more ably represented the United States in that conference.

Admiral Joy's analysis of Communist techniques is drawn from the experience of ten arduous months of confronting the Communists almost daily. The negotiations he conducted covered the entire spectrum of Communist interests and objectives—political and military, in Korea and world-wide. I know of no citizen of the free world who could speak of Communist negotiating tactics from a broader base of practical knowledge.

All Americans would be well advised to consider Admiral Joy's thoughtful and well documented examination of the Communist negotiating procedure. It should be obvious that we Americans must learn to meet Communists successfully in the arena of negotiations. Otherwise—but there must be no otherwise.

The world is so ordered today that there is no acceptable alternative to successful negotiations with Communists. It is the duty, and it is in the self-interest, of every American to make himself aware of the nature of these relentless, ruthless men. Admiral Joy's terse analysis will provide a basic education toward that essential end.

by Admiral C. Turner Joy, U.S.N. (Ret.)

PREFACE

THE spreading stain of Communism now blotches a vast area of the earth. A great Communist empire sweeps from the Elbe River in Germany to central Indochina, covering an area more than four times as extensive as the United States and containing a population five times that of Europe. Communists have come to control this, the most monstrous tyranny in history, by shrewdly combining force and negotiation.

The measure of expansion achieved by Communism through negotiation is impossible to disassociate from what they have achieved by force, for the Communists never completely separate the two methods. Yet their negotiating methods have yielded them rich returns: some of their profits derived principally from negotiation are clearly identifiable. The negotiations at Yalta had the effect of delivering to Communism, among other things of value, China, North Korea, Sakhalin, and the Kurile Islands. The negotiations at Geneva delivered to Communism almost half of Indochina. On occasion, success

(Copyright 1955 by C. Turner Joy)

. . . "The recall of General MacArthur gave further reason for the Communists to believe we were a 'paper tiger' "

in negotiations had to be confirmed by further Communist military operations. Such a case was China. Elsewhere, partial success in military operations was made complete by victory in negotiations. Such was Indochina.

Thus the interplay of force and negotiations in the Communist method has produced major extensions of human slavery. Perhaps it is time that we Americans, at whom Communist designs of world domination ultimately point, inform ourselves of the techniques employed by these, our relentless enemies, in negotiating their way to evil triumph.

Each negotiating situation presents differing aspects, as Yalta differed from Geneva, as Potsdam differed from Panmunjon. Yet the Communist dogma is a strong rule, strongly compelling Communists to adhere to it at all times. It is possible, therefore, to identify certain fundamental techniques applying to Communist negotiatory efforts wherever and whenever they occur.

Of all opportunities to view the Communist technique in negotiations, none is so comprehensive as Panmunjom. There, for two long years, the Communists exposed their negotiating system, applying it to all the many facets of that extended international parley. For this reason, and for the reason that the author of this account participated in the Korean Armistice Conference as the Senior Western Delegate, attention hereafter will be focused on the methods used by Communists at Kaesong and at Panmunjom, Korea. Americans are urged to consider well the following analysis of the techniques of their enemies, for the American future is largely dependent on how completely we meet these Communist tactics in many dangerous tomorrows.

CHAPTER I

HOW TO HANDLE THE REDS

THE Korean Armistice Conference terminated in July, 1953, after two years of agonized travail. The formal result of this conference was an armistice agreement, duly signed, sealed, and delivered to the governments concerned. That agreement has been considered by some as the alternative to world war: others saw it as a sorry substitute for American victory in Korea.

Whatever may be the ultimate judgment of history regarding the significance of the Korean Armistice, those who must deal with the problems of today can learn from it certain sharply pertinent lessons. Taken to heart, this painfully acquired knowledge may save us all from the creeping disaster of unskilled effort in later negotiations between our world of freedom and that of tyranny.

The greatest single influence on the Korean armistice negotiations was the failure of the United States to take punitive action against Red China. During the winter of 1950, Chinese forces crossed the Yalu River from Manchuria into Korea and executed a crushing attack on the Eighth Army. All evidence showed beyond doubt that this assault was directed by the Red Chinese Government. Despite a severe military setback, and grave casualties among United States troops attacked by the Red Chinese Army, the United States refrained from taking retaliatory military action against the territory and military facilities of Red China.

For the United States, this was an unprecedented backdown before a show of force. Failure to take immediate punitive action against Red China was at the root of most of the difficulties encountered by United Nations Command representatives in the Korean armistice negotiations. Our seemingly weak and fearful withdrawal in the face of an unprovoked attack on our forces in the Far East gave the Communists good reason to believe that the United States would not stand firm on any aspect of the continental Asian problem. The question was posed: Would our government possess the determination to continue an abortive and unpopular war in Korea rather than to accede to Communist terms for an armistice? Throughout the Korean armistice conference the Communists acted as if they definitely thought not.

It has been contended that the United States Government as executive agent for the United Nations was in no position to take punitive action unilaterally against Red China. This does not seem reasonable when one considers that the United States took the initiative in sending ground forces to Korea to repel the North Korean attack, supplied over 80 per cent of the resources required to prosecute the war, and sacrificed many more lives in the war than any nation except South Korea. Had not the United States borne the brunt of the war, and had it not been for the prompt action of the United States in the first place, all of Korea today would be under Communist control. Moreover, as the recognized leader of the free world in the struggle against international Communism, the United States had every good reason from a moral standpoint to take the initiative in punishing the Chinese aggressor, particularly when the United Nations General Assembly had denounced Red China as an aggressor nation in the Korean War.

The recall of General Douglas MacArthur when that renowned officer was vigorously advocating a strong and aggressive policy in the Orient, particularly toward Red China, gave further reason for the Communists to believe we had no steel in our attitude, that we were, in their phrase, a "paper tiger."

On 24 June, 1951, Soviet Minister Jacob Malik made a radio announcement suggesting that a truce be arranged by the opposing military commanders in Korea, *based on both sides withdrawing equal distances from the 38th Parallel.* Washington° *immediately* directed General Matthew B. Ridgway to broadcast an announcement to the Communist field com-

°In testimony before the Senate Internal Security Subcommittee, Admiral Joy was asked who, in Washington, directed the truce negotiations. Here is the exchange:

Q: Admiral, were the truce negotiations directed by the Joint Chiefs of Staff or by the State Department?

Admiral Joy: All directives connected with negotiations emanated from the Joint Chiefs of Staff. When I returned to the States, in June of 1952, I heard on good authority that these directives were drafted by a high-powered group from State and the Joint Chiefs of Staff.

. . . "U. N. negotiators were not in a position to deal from maximum strength, and well did the Communists know it"

manders that the United Nations Command was willing to discuss an armistice. This was not only done in great haste; it was done without denouncing the 38th Parallel as a line of demarcation. The Communists, therefore, concluded that the United Nations Command *needed* an armistice, and that the 38th Parallel would be a truce line acceptable to the United States. These misunderstandings cost us many months of fruitless negotiations.

The armistice negotiations were profoundly affected by the restraints imposed on the United Nations Command forces in Korea. United Nations Command forces were not allowed to attack their enemies in the most effective manner nor with the most effective weapons. In consequence, the United Nations Command could never exert the decisive military pressure of which it was capable. *United Nations Command negotiators at Kaesong and Panmunjom were not in a position to deal from maximum strength, and well did the Communists know it.*

The armistice effort in Korea taught this: Never weaken your pressure when the enemy sues for armistice. Increase it. In June, 1951, the Communist forces were falling back steadily, suffering grievously. Then Jacob Malik issued his truce feeler. As soon as armistice discussions began, United Nations Command ground forces slackened their offensive operations. Instead, offensive pressure by all arms should have been increased to the maximum during the armistice talks. Force is a decisive factor, the only logic the Communists truly understand. It has been argued that to endure the casualties which result from offensive operations while an armistice was potentially around the corner would have been an unacceptable policy. Yet, I feel certain the casualties the United Nations Command endured during the two long years of negotiations far exceed any that might have been expected from an offensive in the summer of 1951.

The lesson is: Do not stop fighting until hostilities have ended, not if you want an armistice with the Communists on acceptable terms within a reasonable period of time.

"Conferences Should Be Brief"

The foregoing leads to the lesson that armistice conferences should be brief. A time period should be set for reaching an agreement. If an acceptable agreement is not reached within a reasonable time, discussions should be terminated until the enemy again indicates a desire for (that is, a *need* for) an armistice. To allow armistice talks to become protracted is to indicate weakness on your part. This encourages your Communist opponents.

The site at which armistice talks are held should be outside the area of conflict. In the case of the Korean armistice conference, a site outside Korea would have served far better than did a neutralized area lying on the battle line in Korea and interfering with combat operations. The plague of "incidents" which delayed and disrupted our negotiations would have been at least less intense, if not non-existent, in areas where "live" warfare was not in progress.

Communists should not be allowed unilaterally to select the site for a conference. If one cannot successfully negotiate a site for talks, why expect to negotiate substantive issues successfully? Finally, and above all, the site of negotiations should not be, as Kaesong was, within the enemy's lines and subject to his military control. This invites the Communists to arrogance, and they need little invitation on that score.

Reaction to a Communist suggestion for a conference or to discuss an armistice should be unhurried. My liaison officers were in Kaesong talking with Communist representatives only two weeks after Jacob Malik mentioned the possibility of an armistice in Korea. This is much too short a period in which to study the ramifications of the question thoroughly and well. It is especially important that a military command not be rushed into armistice discussions when it has the upper hand in combat, as we did in the spring of 1951.

The team selected to conduct negotiations with Communists should be of the highest available quality. Rank, renown, and position are a secondary consideration. Clear thinking, rapid thinking, are the criteria to be sought. Every man should be the best in his line, whether stenographer, signalman, interpreter, or delegate. You can be assured that the Communists will put in their first team. You can be assured *your* second team will not be good enough.

—Department of Defense

ADMIRAL C. TURNER JOY

"Force is . . . the only logic the Communists truly understand"

* * *

Press coverage of negotiations should be as unfettered as physical facilities permit. If your objectives are honest and sincere, if your methods are above reproach, if your skill in negotiating is adequate, you need not fear the press. The American people deserve to know what is going on, since they must foot the bill in lives and in dollars.

Candor compels me to report a rather unsavory aspect of press coverage of the Korean armistice. On repeated occasions, articles appeared in United States publications, attributed to "authoritative sources in Washington," which predicted concessions by the United Nations Command delegation to the Communists. Sometimes the accuracy and timing of these articles left little doubt that they were in fact "leaked" by official sources in Washington. One example of this under-

. . . "We made a mistake in agreeing to discuss the cease-fire line prior to reaching agreement on all other matters"

mining procedure was an article, date-lined Washington, which stated, "UNC Ready to Yield on Airfield Ban." Instructions to make this concession had been received by the United Nations Command delegation, classified *"Top Secret."* The delegation intended to use the concession on airfields as a lever to pry out Communist agreement on the prisoner issue. Once such a "leak" occurred, however, the Communists were not likely to pay a price for something they believed we were prepared to surrender.

Another "leak" attributed to official sources suggested that "professional" negotiators be sent to Panmunjom to replace the military personnel of the United Nations Command delegation. Although the record of our and other "professional" negotiators at such places as Yalta and the Geneva Conference on Indochina leaves some room for improvement, that consideration is not my reason for mentioning this particular leak. Rather, the important point is the weakening of our position at Panmunjom that resulted. On reading that the United Nations Command delegation might not have the full confidence and backing of the United States Government, the Communists could reasonably decide to delay a while longer. They could hope that a new United Nations Command delegation would be less firm about the disputed issues.

I do not criticize the press for printing these stories. To do so is their business. I suspect, however, that the person who planted them did not have the best interests of the United States in mind when he did so.

Never concede anything to the Communists for nothing, merely to make progress. Make the Communists pay for your acceptance of their point of view. Require an equivalent concession to match yours. This will not only double the number of agreements you achieve in a given period of time, but will impress upon Communists the conviction that you are neither softheaded, gullible, nor weak. To a Communist, your ready acceptance of his proposed solution merely because it is logical and correct is a sign of at least undue haste, indicating a precarious basis on your part. Never imagine that *any* point is unimportant. To concede a minor point to Communists without a like concession from them is but to convince them that in more substantive issues you will ultimately submit to their viewpoint. Exact equating concessions from the Communists in respect to every matter, large or small.

When to Call a Halt

Avoid a "hurry-up" attitude, for such an attitude tends to invoke a Communist conclusion that you are pressed for time. The enemy will not credit you with humanitarian motives. Quite to the contrary, show plainly that you are willing to terminate or suspend negotiations at any time the Communists may desire. If no progress is perceivable in a reasonable period, then terminate the negotiations.

The agenda of a conference with Communists should receive careful study. In retrospect, it is clear that we made a mistake in agreeing to discuss the line on which hostilities were to cease prior to reaching agreement on all other matters. Early agreement upon a specified line on which hostilities will cease removes the justification for continued military pressure on the Communists. That item of the agenda dealing with supervision of the armistice should be placed first. The first objective of an armistice conference is to set up safeguards which will ensure the stability of the truce. Neither belligerent should be permitted to capitalize on the armistice by increasing his military capabilities.

A requisite for achieving this objective is adequate supervision of the armistice terms and observation of the forces and activities of the belligerents during the period of truce. Without such supervision and observation, any and all terms of agreement in an armistice document are worth only the valuation placed on the good intent of each side by the other. When dealing with Communists, one would be reckless indeed to assume good faith on their part.

Results of Too Much Talk

When a firm position has been taken, from which you do not intend to withdraw, do not thereafter engage in long-winded and repeated statements supporting your position. Having put forth your final proposal, simply be quiet, or at best rebut the Communist attacks by terse, positive, dignified statements denouncing or ridiculing their verbal acrobatics. Defense of your final proposal in response to Communist verbal attacks only offers grist for the Communist mill. The more you talk, the more you offer targets for the Communists' insidious propaganda.

On the other hand, Communist negotiators are nonplused by, and fearful of, an unresponsive opponent because such tactics are contrary to their teachings. How *not* to conduct negotiations was illustrated by our action in connection with our final "package" proposal. The United Nations Command Delegation planned to table this proposal and thereafter remain relatively silent, thus indicating the bleak finality of our offer. After we had presented our "package" we were allowed to remain quiet for several days. During this period the desperation of the Communist negotiators became apparent. They could find nothing to shout about. Then Washington issued an ill-advised directive requiring that we support our proposal with extended arguments at each meeting. With misgivings, the delegation obeyed. The relief and satisfaction of the Communists at this change of tactics were immediately apparent. They leaped upon our daily statements with enthusiasm. No progress was made until, after some five months of insistence by the delegation, Washington permitted the delegation to suspend the meetings, a step we had recommended shortly after our final proposal had been tabled. Then the Communists became convinced they were confronted with a truly firm United Nations Command position.

We learned in Korea that crystallization of political objectives should precede initiation of armistice talks. All personnel in the United Nations Command delegation were aware of the chameleon-like character of American political objectives in Korea. United States forces entered Korea, in accord with political objectives, to prevent an impending collapse of the South Korean Government and to help repel aggression against South Korea. When the North Korean aggressor was thrown back north of the 38th Parallel from whence he came, these two political objectives had been secured. Then United States policy shifted to the intent to unify Korea. Accordingly, United Nations Command forces swept north of the 38th Parallel [in September and October, 1950], headed for the Yalu. When the Red Chinese plunged into the fray [Nov. 25, 1950], the controlling political objective of the United States became a desire to avoid all-out war with China. When the Soviets suggested an armistice [June 23, 1951], the political objectives in Korea became an honorable cease fire.

. . . "The delegation never knew when a new directive would emanate from Washington to alter our basic objective of obtaining an honorable and stable armistice agreement"

During the armistice negotiations, we took on a political objective of gaining a propaganda victory over Communism in respect to prisoners of war. Thus the political objectives of the United States in Korea weather-vaned with the winds of combat, accommodating themselves to current military events rather than constituting the goal to be reached through military operations. Consequently, the delegation, and indeed General Ridgway, never knew when a new directive would emanate from Washington to alter our basic objective of obtaining an honorable and stable armistice agreement. In such circumstances it is most difficult to develop sound plans, to present one's case convincingly, to give an appearance of unmistakable firmness and finality. It seemed to us that the United States Government did not know exactly what its political objectives in Korea were or should be. As a result, the United Nations Command delegation was constantly looking over its shoulder, fearing a new directive from afar which would require action inconsistent with that currently being taken.

On issue after issue the United Nations Command delegation sought advice from Washington whether the then current position of the delegation was or was not final, whether we could count on the unwavering support of the United States Government to and through the point of termination of negotiations. We needed such information in order to avoid prejudicing future discussions of other issues with the Communists. For example, if the United Nations Command delegation announced a particular position on an issue as *final*, then later, on orders from Washington, recanted and accepted the Communists' version of the issue, one could expect that our next announcement of "finality" would make little impression on the Communists. Precisely this happened in the successive cases of airfield rehabilitation and prisoners of war.

For many weeks the United Nations Command delegation firmly announced to the Communists that we would *never* agree to an increase of their military capabilities during the period of truce. This, of course, included the rehabilitation and construction of airfields. Later, under instructions from Washington, we did propose to delete from the armistice agreement any prohibition of development of airfields. Subsequently, the delegation, General Ridgway, and President Truman announced that our position regarding exchange of prisoners of war was final and irrevocable. Apparently the Communists thought otherwise for more than a year. Thus we learned a lesson which it is to be hoped will be heeded by those who set our political objectives. Before entering a conference with the Communists (or a war), political objectives should be determined and disclosed to those who must pursue them. Thereafter they should be altered only when a change is vital to the national interests. There is still much to be said for remaining on the same horse in midstream.

Let no one think that in negotiating with the Communists we should reject the threat of force. On the contrary it is *only* through the imminent threat of application of our military power that the Communists can be compelled to negotiate seriously for the alleviation of the basic issues between their world and ours. We must be prepared to accept the risk of war if we hope to avoid war. When the Communists believe that failure to resolve issues with the Western world will engage a serious and immediate risk to their present empire, they will then, and only then, seek to resolve those issues. They will not be bluffed, however. Successful negotiations with the Communists will ensue when the United States poses employment of its tremendous military power as the *actual* alternative. We must be prepared to carry through that threat or it cannot succeed in its peaceful purpose. We must accept whatever risk of world war may attend such a procedure, knowing that should the Communist world choose war, war was coming in any event.

At last it must be concluded that there should not have been a Korean armistice such as was accepted. The principal

CHRONOLOGY OF THE KOREAN WAR

June 25, 1950: North Koreans attack South Korea.
Nov. 25, 1950: Chinese enter the war.
June 7, 1951: Secretary of State Acheson says truce at 38th parallel would "keep faith" with U. N. policy.
June 23, 1951: Soviet delegate Jacob Malik suggests in the U. N. that truce talks be held.
July 10, 1951: Formal truce talks begin at Kaesong with Adm. C. Turner Joy serving as chief of the United Nations Command delegation.
July 12-15, 1951: Talks broken off by U. S. when Communists violated agreement to protect neutrality of conference zone.
July 26, 1951: Agenda agreed upon.
Aug. 5-10, 1951: Talks broken off by U. S. because armed Reds were in the neutral zone.
Aug. 23, 1951: Communists break off talks, charging U. S. planes violated Kaesong's neutrality.
Oct. 25, 1951: Talks resumed at Panmunjom.
Nov. 27, 1951: Agreement on cease-fire line.
Dec. 18, 1951: Agreement on exchange of prisoner-of-war lists.
Feb. 19, 1952: Agreement to hold political conference after the truce.
May 22, 1952: Admiral Joy leaves Korea and is replaced by Maj. Gen. William K. Harrison.
Oct. 8, 1952: U. N. calls off the talks indefinitely.
Feb. 22, 1953: Gen. Mark W. Clark proposes exchange of sick and wounded prisoners.
April 11, 1953: Agreement on exchange of sick and wounded.
April 20, 1953: Exchange begins.
April 26, 1953: Truce talks resumed.
June 7, 1953: Agreement on exchange of other prisoners by voluntary repatriation.
June 18, 1953: South Korean President Syngman Rhee releases 25,000 anti-Communist North Korean prisoners. Talks halt for 20 days as result.
July 27, 1953: Truce signed.

. . . "Has the prestige of Red China sunk? The answer, of course, is that the Korean armistice was a victory for Red China"

reasons for seeking an armistice in Korea when and how we did will not bear critical examination. Consider the reasons most often heard:

Military victory could not be achieved by the United Nations Command. Therefore, an armistice was the only practical course of action. Military victory was not impossible, nor even unusually difficult of achievement. Elimination of the artificial restraints imposed on United States forces, coupled with imposition of an effective blockade on Red China, probably would have resulted in military victory in less time than was expended in truce talks. This is the considered judgment of senior military commanders of the United Nations Command.

There was a danger the Korean War would expand to war with Red China, and thence into world war. War with Red China should have been the instant response of the United Nations to the Red Chinese attack of November, 1951. The U.S.S.R. never showed the slightest intention of expanding the Korean War. In fact, Soviet overtures for a Korean truce plainly indicated the direction of Soviet purposes. I know of not a single senior military commander of United States forces in the Far East—Army, Navy, or Air Force—who believed the U.S.S.R. would enter war with the United States because of any action we might have taken relative to Red China. Had the Soviets entered a Sino-American war on the side of Red China, the resulting conflict in Asia would have wrecked Soviet aims in that area, and established a position of unassailable strength for the free world. The Soviets must have known this.

If the Korean War continued, total war might accidentally evolve therefrom. In this era of nuclear weapons, total war will not "evolve" from any set of circumstances. To initiate *total* war, a positive decision to deliver nuclear weapons on targets vital to the opponent is required. This decision cannot be "accidental" or "evolutionary" in character. In past decades the step between limited war and total war was a short one, often of insignificant implications. Today, the difference between limited war and total war is that between life and death for all humanity. No government will take such a leap without long and careful deliberation. Accordingly, had United States action in Asia coincided with the outbreak of total war, this would have been so only because total war had *already* been decided upon by the Soviets.

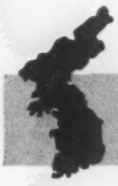
A truce in Korea would mean less American casualties. Between July, 1951, and July, 1953 (the span of the truce negotiations), more American casualties were suffered in Korea than are likely to have resulted from decisive, victorious military operations. I do not know how many United Nations Command prisoners in the hands of the Communists died during the two years we talked truce.

A truce in Korea demonstrating that aggression does not pay would deter further aggressions. First of all, the truce in Korea, making Red China the first nation in history to fight the United States to an inconclusive ending, profited Red China enormously in prestige and influence throughout Asia. Second, the truce in Korea assisted, rather than deterred, subsequent Communist aggression in Indochina by releasing Communist war materials and technical assistance from the Korean front to be used against Dienbienphu.

A truce in Korea, involving acceptance by Communism of permanent defection by many prisoners of war, would inflict a tremendous propaganda defeat on Communism. First, a military armistice conference is no place to seek a propaganda victory. Second, what has that propaganda "victory" gained the United States? Has there been wholesale defection from Asiatic Communism as a result? Has the cause of Communism in Asia faltered? Has the prestige of Red China sunk? The answer, of course, is that the Korean armistice was a victory for Red China: her prestige has continued to rise; the transient setback in respect to prisoners of war was quickly erased by Communist victory in Indochina. Where are the masses of defectors it was supposed would rush to escape Communism, once safe asylum was a demonstrated fact? Why did Communist troopers in Indochina not rush to join the opposing forces?

General MacArthur has said that in war there is no substitute for victory. The record of Korea certainly justifies that conclusion. The broader struggle in which we are now engaged, however, is not entirely a battle of guns and ships and aircraft. We are in a world conflict with Communism, one presently being fought with threats of force, with ideologies, diplomatic maneuverings, and economic pressures. It is a fight to the finish. In it, there will be no substitute for victory: either the darkness of Communism will engulf the world, or the banner of freedom will fly over all lands.

If freedom is to be the victor in the great world conflict, we should enter negotiations with Communism when, *and only when,* negotiations serve the cause of freedom best. We must not negotiate merely because the enemy wants to do so. Once we have decided that to negotiate is in the best interests of freedom, we should do so with the *full* backing of the strength of the United States. There will never be a situation in which that strength is insufficient, if we Americans remain as strong as we have the resources to be. We must negotiate not merely *from* strength, but *with* strength. Granting that, no American need fear the outcome.



CHAPTER II

THE STAGE SETTING

COMMUNISTS neither blunder into conferences nor rush pell-mell to engage in negotiation. *First, they carefully set the stage.* Their concern for maintaining "face," as well as their regard for practical advantages arising from favorable negotiating conditions, causes the Communists to consider carefully the physical circumstances in which a parley is to occur. Witness how they applied this principle of stage setting in the Korean Armistice Conference.

During late June of 1951, the Soviet Ambassador to the United Nations remarked publicly that it might be well if the

. . . "What nation but Red China in all the world today can boast of fighting the United States and her allies to a stalemate?"

opposing sides in Korea arranged a truce, based on the 38th Parallel as a truce line. The first notification to the United Nations Command that the Communists would like an armistice in Korea came from Washington to the United Nations Command headquarters in Tokyo. General Matthew B. Ridgway, Commander in Chief, was directed by the United States Joint Chiefs of Staff to broadcast by radio a message to the Communist military commanders in Korea, inquiring whether truce talks were desired. On 20 June, 1951, General Ridgway caused a message to the Communists to be broadcast, suggesting that truce talks be held in the Danish hospital ship *Jutlandia*, after the ship had been brought to the harbor of Wonsan, North Korea.

Thus General Ridgway offered as a site for truce talks a hospital ship, internationally recognized as a nonbelligerent facility, a ship provided by a government (Denmark) which had not participated in the Korean fighting. This neutral, noncombative ship was to be placed in waters controlled by Communist guns and mine fields. This seemed as reasonable an arrangement as could be conceived.

The arrogant Communist reply came by radio on the night of 1 July. They did not even mention the *Jutlandia*. The language used in their response might be paraphrased as follows:

"If *you* desire a truce, come to Kaesong and we'll talk."

Kaesong is a city almost precisely on the 38th Parallel of latitude. We were to learn later the significance of that fact. Moreover, Kaesong was controlled by the Red Chinese, so that by going to Kaesong the United Nations Command representatives in effect went to the Communists, rather than meeting them halfway. Obviously, the Communists wished to make it appear that the United Nations Command was in need of a cessation of hostilities and therefore came hat in hand to a Communist citadel to ask a truce. General Ridgway recognized these facts but considered that in the interests of saving time and of showing sincere intentions Kaesong should be accepted.

Machine-gun Propaganda

On the 8th of July, Colonel Andrew J. Kinney, U.S.A.F., and several other United States officers proceeded to Kaesong to arrange with Communist liaison officers for the meeting of delegations on July 10th. Without success, Kinney sought Communist agreement to a demilitarized neutral zone around Kaesong. The Communists refused to give up their advantage of military control of the Kaesong area. Throughout this initial meeting Kinney and his party, though completely without arms, were surrounded by troops of armed Communist soldiers brandishing hand machine guns threateningly. Communist photographers and press representatives did not fail to make the most of this situation, in line with their thesis that the United Nations Command, not the Communists, needed and sought a truce.

At the opening meeting of liaison officers, the Communists strongly argued that the United Nations Command delegation should remain overnight at Kaesong during the course of the negotiations. The Communists wished to hold the United Nations Command delegation in their military grip while parleying. This Kinney flatly rejected, having already been subjected to the "captive" treatment in store for Americans at Kaesong.

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While seeking by every means to create an illusion that the Kaesong meetings represented a conference between the victorious Red Army and defeated Americans, the Communists knew well that simple equality was quite enough for their purposes. As their renegade British reporter Alan Winnington told Western newsmen: "This is the first time Oriental Communists have ever sat down at a conference table on terms of equality with Americans, and they intend to make the most of it."

After all, what nation but Red China in all the world today can boast of fighting the United States and her allies to a stalemate? Was not Communist prestige enhanced by compelling delegates from the powerful United Nations Command to meet Communist China's representatives under battlefield conditions of equality? Moreover, was it not plain that some undermining of the United States' position of nonrecognition of the Red Chinese régime must result when senior Americans sought to negotiate with representatives of that régime whose existence the United States officially denied? Yes, I am sure the Communists knew that equality at Kaesong was sufficient.

The Disappearing Admiral

The Communists proceeded industriously to embroider the situation in their favor. At the first meeting of the delegates, I seated myself at the conference table and almost sank out of sight. The Communists had provided a chair for me which was considerably shorter than a standard chair. Across the table, the senior Communist delegate, General Nam Il, protruded a good foot above my cagily diminished stature. This had been accomplished by providing stumpy Nam Il with a chair about four inches higher than usual. Chain-smoking Nam Il puffed his cigarette in obvious satisfaction as he glowered down on me, an apparently torpedoed admiral. This condition of affairs was promptly rectified when I exchanged my foreshortened chair for a normal one, but not before Communist photographers had exposed reels of film. Such devices by the Communists may seem childish when each is considered in isolation. It should be borne in mind, however, that a great multitude of these maneuvers can add up to a propaganda total of effective magnitude.

Not the least of the stage setting employed by the Communists was their legion of armed guards. These heavily armed sentinels were everywhere, governing each step taken by the United Nations Command delegation. During a recess of the first meeting of delegates I was directly threatened by a Communist guard who pointed a burp gun at me and growled menacingly. My messenger, dispatched to convey an interim report to General Ridgway, was halted and turned back by Communist armed force. One sentinel posted conspicuously beside the access doorway to the conference room wore a gaudy medal which he proudly related to Colonel Kinney was for "killing forty Americans."

Such impositions resulted in my protesting to Nam Il in unmistakable terms, demanding prompt elimination of such crudities. Nam Il was evasive, however. No doubt he calculated that the Communist propaganda machine was acquiring a wealth of material suitable for picturing the United Nations Command as a beaten suppliant for an armistice.

The ever present Communist newsmen and photographers

. . . "Nam Il did not appear to be at ease during our sessions, possibly because he was one of the first Orientals to face a delegation of Occidentals on equal terms"

led me to announce to Nam Il that Western newsmen would attend the subsequent meetings of the delegations. Nam Il immediately agreed. Having set the stage and directed the shooting of distorted scenes by his own photographers, Nam Il may have felt that he could afford to open the further proceedings to the frank cameras of Western newsmen. One hour later, however, Nam Il recanted his agreement and announced that the question of admitting Western newsmen to Kaesong would have to be ruled on by his superiors. . . .

* * *

When our delegation failed to appear at Kaesong the next day, the Communists hurriedly dispatched a message to the United Nations Command agreeing to equitable conditions at the conference site, including agreement to withdraw their armed personnel from the immediate vicinity.

* * *

Sadly, one must relate that not all the stage setting favorable to the Communist cause was at their initiative. Without any intention whatsoever to aid the Communists in preparing the scene, certain actions of the United States Government unintentionally did just that. The United States impatiently broadcast the first *direct* appeal for truce talks, despite the fact that it was the Communists, not the United Nations Command, who sorely needed a truce. The Secretary of State was reported to have stated that a truce settlement with the Communists along the 38th Parallel would be acceptable to the United States Government.* How this piece of stage setting affected matters will be discussed later.

It is not unlikely that the peremptory recall of General Douglas MacArthur just after that renowned officer had advocated more vigorous military action against the Communists may have had as great an effect as any. These developments reinforced the picture that the Communists wished the world to accept, the picture of a United Nations Command, frustrated militarily, begging a truce that would simply restore the situation as it existed prior to the outbreak of hostilities in Korea. Thus, by their own devious methods, and assisted by windfalls of American policy mistakes, the Communists prepared the scene for the crucial negotiations to follow.

CHAPTER III

HOW RED DELEGATES ARE CHOSEN

THE COMMUNIST SYSTEM of negotiating does not depend critically on the individuals involved. Their method is a dogma followed slavishly by each of their representatives. None the less, any extended negotiation will be marked by occasions when doctrine does not apply perfectly, and a degree of ingenuity will be required of the participants.

Knowing this, the Communists are quite careful in the selection of their negotiating teams. Force of intellect is the primary consideration. Reputation, rank, and position are of secondary consideration to the Communists in choosing the members of their delegation. Persistence and an unruffled demeanor in the face of logic seemed to be the prime characteristics of their negotiating group at the Korean Armistice Conference. A slight bent to sardonic humor was observable in some few of the Chinese delegates. When asked to say how long it would take his own superiors to provide him guidance on a certain question, the Chinese delegate General Hsieh Fang said, "I have no talent for prophecy."

The nominal chief of the Communist delegation was General Nam Il, allegedly a North Korean and today the Foreign Minister of the North Korean puppet state. Born in Asiatic Russia of Korean parentage about 1913, Nam Il attended military schools in the U.S.S.R. and was reported to have fought in the Red Army as a captain during World War II. He came to North Korea with the Soviets at the end of the war and was assigned to key posts in the field of education and propaganda. As Vice Minister of Education after 1948, he was influential in shaping the educational policies of the so-called "Democratic People's Republic of Korea" in line with Soviet plans, and in converting the Education Ministry into a key propaganda agency of the government. Shortly before the attack on the Republic of Korea in June of 1950, Nam Il was called into the National Defense Ministry and assigned a top planning post in preparation for the attack. When appointed to head the Communist delegation, Nam Il was Chief of Staff of the North Korean "People's Army." In August of 1953, Nam Il was appointed Foreign Minister of his government.

Nam Il was short in stature, slender, and gave the impression of considerable nervous energy. He spoke forcefully in Korean, seeming to spit out his words. At no time did he ever exhibit the least tendency to humor. If he laughed, it was in a sarcastic vein. His smooth Oriental face rarely revealed emotion, and if so the emotion was anger or feigned astonishment. He dressed nattily in the Russian type of uniform of the North Korean Army. His military boots were highly polished at all times.

Nam Il did not appear to be at ease during our sessions, possibly because he was one of the first Orientals to face a delegation of Occidentals on equal terms. His nervousness was the more understandable when one considered that he was merely the figurehead of his delegation. The actual power was vested in Chinese General Hsieh Fang. Nam Il was ever care-

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*On June 7, 1951, Secretary of State Dean Acheson testified before a joint hearing of the Senate Armed Services and Foreign Affairs committees investigating the relief from Far Eastern assignments of Gen. Douglas MacArthur. From the transcript:

Senator Lodge [Henry Cabot Lodge, Jr. (Rep.), of Massachusetts]: It is your contention, is it not, that we would keep faith with the policy of the United Nations if we agreed to an armistice at the 38th parallel?

Secretary Acheson: Yes, sir; neither the United Nations nor the United States has ever undertaken the obligation to unify Korea by force.

. . . "A doctrinaire Communist, Lee Sang Jo employed the Communist dogma of long, wearisome repetition at every opportunity. He was an accomplished liar to boot"

ful to secure an approving nod from Hsieh before launching into his long tirades against the United States.

The senior Chinese of the Communist delegation, and the *de facto* chief of the entire Communist group, was the slight Manchurian General Hsieh Fang. Although the history of his background is somewhat uncertain, we know he was born in 1904 in Manchuria. He was sent to Japan by the "Young Marshal" Chang Hsueh-liang, where he graduated from the Japanese Military Academy in 1923. He later attended a university in Moscow. In 1940 he joined the Japanese puppet régime in Peking on orders from the Chinese Communists, remaining there until 1945. He is credited, during 1946-1948, with bringing about the defection of a number of contingents of Chinese Nationalist troops and with playing a leading part in the uprising at Changsha, China. When appointed to the Communist delegation, he was serving as political commissar and Chief of Staff of the so-called Chinese People's "Volunteer" forces in Korea.

Hsieh Fang was thin and angular. His nondescript uniform folded about his spare frame gracelessly. He gave me the impression of Shakespeare's "Yond Cassius has a lean and hungry look . . . such men are dangerous." Hsieh was indeed dangerous. He possessed a bitterly sharp mind, and used it effectively. His head was radically close-cropped, giving the impression of a high forehead. Sharp eyes flicked restlessly as he watched proceedings. Hsieh Fang rarely spoke from prepared material as Nam Il did invariably. His remarks were extemporaneous and fluent.

A "Self-Assured" Communist

Hsieh Fang was markedly the mental superior among the Communist delegation. He conducted himself in a self-assured manner at all times, never bothering to check his intended remarks with other Communists before making them. He was the only member of the Communist delegation who seemed to be confident of his position with his Communist superiors in Peking. On the many occasions when it became obvious that no progress could be made in the day's meeting, any Communist spokesman but Hsieh Fang would feel compelled to deliver a long-winded harangue praising Communist objectives and damning those of the United Nations Command. Not so Hsieh Fang. If there was nothing more to be accomplished, he simply shut up his brief case and departed. Evidently he felt no need to make a "record" for his superiors to read and applaud.

Hsieh Fang showed less obedience to the Soviet-Communist dogma than other members of the Communist delegation. His manner of expressing himself in Chinese was not larded with the standard Communist terminology. The language he used appeared to be his own. He had a sharp, clear mind, one coldly calculating the accomplishment of his mission. I cannot help wondering what effect, if any, Hsieh Fang's long exposure to our Western ethics and thoughts may have had on his Communist convictions.

The only other delegate in the Communist group with whom we had serious intercourse was North Korean General Lee Sang Jo. His background is more obscure, though we know that he was born in 1913 in Korea and that he went to China in his youth and graduated from the Whampoa Military Academy, then the Chinese equivalent of the United States Military Academy. He joined the Communist party in 1940 and became identified as a trusty henchman of the pro-Soviet Korean faction. He is also known to have commanded a detachment of the Korean Volunteer Army which fought in China with the Communist forces against the Chinese Nationalists. He is described as one of a group of thirty-six Soviet citizens who returned to Korea in 1945 with the Soviet Army. Just prior to the Armistice Conference, Lee occupied the post of

HOW BATTLE LINE COMPARED WITH 38TH PARALLEL
. . . when truce talks began at Kaesong

Chief of Staff to the North Korean National Defense Minister Vice Marshal Choe Yong Gun, one of the influential leaders of the pro-Soviet North Korean group.

Lee Sang Jo was addicted to endless rambling statements, often absolutely irrelevant to the subject under discussion. A doctrinaire Communist, Lee employed the Communist dogma of long, wearisome repetition at every opportunity. He was an accomplished liar to boot. He was short and chunky, often dirty and slovenly. It fascinated all of us to watch Lee Sang Jo permit flies to crawl across his face without brushing them away. Apparently he thought this showed iron self-control. For my part, I concluded he was simply accustomed to having flies on his person.

The three delegates I have described constituted the vocal section of the Communist delegation. Making up the total of five delegates were another North Korean and another Chi-

. . . "It is worth noting that the North Koreans were far more slavish in following the Soviet-Communist doctrine than were the Red Chinese"

nese. These two never spoke, or otherwise indicated that they were more than window dressing.

Two officers of the Communist group who were not delegates, but staff officers, are worth discussing. They were the two liaison officers, Colonel Chang of North Korea and Colonel Tsai of China. These two did more of the actual negotiating than did any one of their superiors, the delegates. Chang was a hard-faced Korean, short and stocky. He spoke Korean and Chinese. Though he never revealed the fact fully, we were convinced that he at least understood English. It was rumored that Chang stood high in the favor of the Chinese and thus swung considerable weight in the Communist delegation.

Colonel Tsai of Red China, the other Communist liaison officer, was tall and spare. He managed to wear the graceless, unadorned uniform of the Red Chinese "Volunteers" with a degree of dignity. Both Chang and Tsai were doctrinaire Communists, rarely varying from the dogma of the approved Communist method. There was a considerable difference in the reaction of the two in the face of unforeseen events, however. At the first meeting of liaison officers, our United Nations Command liaison party was made up of Colonels Kinney and Murray of the United States, and Lieutenant Colonel Lee of the Republic of Korea. Chang and Tsai represented the Communists. When our Lieutenant Colonel Lee attempted to seat himself at the conference table on a collapsible chair, he upset the chair and sprawled on the floor. Tsai, the Chinese, laughed heartily. Chang, the Soviet-trained Korean, retained a stony silence.

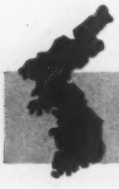
On another occasion we had sent our Korean liaison officer to deliver a message to the Communists at Panmunjom. Chang and Tsai met Colonel Lee there. Lee was an able linguist, speaking English, Korean, Chinese, Japanese, and some German. On this occasion Lee chose to speak in English. Chang lost his temper. "Are you not a Korean?" he shouted. "Why do you not speak Korean?" Lee answered calmly: "I will speak in whatever language I wish. That is what we are fighting for, freedom of speech." Tsai seemed somewhat amused by this exchange.

Once during a plenary session of the full delegation, North Korean delegate General Lee Sang Jo penciled a note to Nam Il in Korean characters large enough to be read easily from our side of the table. It said, "These imperialist errand boys are lower than dogs in a morgue." This is the ultimate Korean insult. Our General Paik, delegate of the Republic of Korea, very nearly went physically across the table after Lee Sang Jo, but managed to restrain himself.

One of the most humorous remarks of the Armistice Conference was that of our witty Air Force General Turner in response to being called a fool. General Turner had replaced our able Air Force delegate General Craigie. Hsieh Fang, after an extended argument with Turner, made an audible aside remark to Colonel Chang. "This man is a complete fool." Our Colonel Kinney, noting this, urged General Turner to scorch Hsieh Fang for indulging in personalities and abusive language instead of dealing with the issues at hand. Turner, however, made the following reply to Kinney in a loud, clear voice: "You say he has called me a fool? No, I will not enter into a debate with him on that score. He has all the points on his side." Colonel Tsai, evidently understanding this perfectly, was hardly able to control his laughter. Hsieh Fang and Chang remained grim.

Throughout the course of the negotiations, two Western-world newspapermen lived with and advised the Communist delegation. These were Wilfred Burchett, who served a Paris newspaper, and Alan Winnington, the latter reported to be a British citizen. Winnington, an effeminate-looking chap, acted as public relations officer for the Communists. He sought to "feed" the Communist version of events to the Western news correspondents who accompanied the United Nations Command delegation each day to the meeting site. It appeared to me that he was remarkably unsuccessful in this effort. Owing to the brilliant management of press affairs by our own public information officer, Air Force General William Nuckols, I never had occasion to be seriously concerned with the treasonable activities of Winnington.

These were the principal men we dealt with during the armistice conference: two from Red China, three from North Korea. It is worth noting that the North Koreans were far more slavish in following the Soviet-Communist doctrine than were the Red Chinese. It is worth repeating that ultimate authority in the mixed Communist delegation appeared to be in the hands of the Red Chinese.



CHAPTER IV

THE LOADED AGENDA

WITH THE STAGE SET to their liking, Communists proceed to implement the second principle of their negotiating method. They seek an agenda composed of *conclusions* favorable to their basic objectives. Among men who adhere to logic, an agenda is understood to be only a list of topics to be discussed, concerning which agreed conclusions are later required. For example, Americans meeting to discuss arrangements for a baseball game might adopt an agenda as follows:

1. Place the game is to be played.
2. Time the game is to start.
3. Selection of umpires.

Communists, however, would submit an agenda like this:

1. Agreement that game is to be played in Shanghai.
2. Agreement that game be played at night.
3. Agreement that umpires be Chinese officials.

Thus the Communists seek to place their negotiating opponents on the defensive from the outset. If their rigged agenda is carelessly accepted by their opponents, the Communists are able to argue that the only questions remaining are: exactly where *in Shanghai* the ball game is to be played, exactly what time *at night* the game is to start, and precisely which *Chinese* are to officiate. Notice how the

. . . "Discussion between Nam Il and me flowed with all the speed of a stiff concrete mix. Each statement by Nam Il had to be translated into English and Chinese; each statement I made had to be rendered in Korean and Chinese"

Communists sought these advantages by such procedures at Kaesong.

Consistent with their concept of an agenda as a set of conclusions, the Communists formally proposed the following as the first two items for discussion:

1. Establishment of the *38th Parallel* as the military demarcation line between both sides, and establishment of a demilitarized zone, as basic conditions for the cessation of hostilities in Korea.
2. Withdrawal of all armed forces of foreign countries from Korea.

Nam Il supported these two points by simply asserting that they were "basic and inseparable." He said that withdrawal of foreign troops from Korea was "a basic step toward peace." Thus the Communist concept of an agenda was a set of *conclusions* which would restore the situation in Korea to that obtaining before they launched their aggression.

In contrast, note the agenda proposals made by the United Nations Command on the same day in connection with the same two points:

1. Agreement on a demilitarized zone across Korea.
2. Cessation of hostilities and acts of armed force under conditions which will assure against resumption of hostilities in Korea.

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In order to comprehend fully the arrogance of Nam Il's self-termed "agenda," it is necessary to recollect the military situation as it then existed. The line of ground battle extended across Korea on the bias, with its western terminus south of the 38th Parallel and its eastern terminus well north of the Parallel. (See map on page 139.) This line of ground contact constituted defensible battle positions from which the United States Eighth Army had been launching punishing attacks on the Communists. The 38th Parallel afforded no such positions.

In the air, the domain of the Fifth Air Force was unchallenged on either side of the ground battle line, except along the Yalu River far to the north.

On the sea, United States Naval forces held uncontested sway to the northernmost extremities of the Korean coast line.

Reds "Beaten" in 1951

During the spring of 1951, this combination of United Nations Command combat arms had beaten the Communists severely, so severely that in June they sought an armistice. Communist supplies to the ground forces had been reduced to a trickle by the incessant pounding of the Navy and the Air Force. The Eighth Army was moving ahead inexorably, battering the Communist Army with superior fire-power, threatening a decisive breakthrough. Talk of extending United States air action to Manchuria was rampant, complete with ominous overtones of the atomic bomb.

Here, then, was a Communist army on the verge of crushing military defeat, seeking a respite from our military pressure—an armistice. It was in such circumstances that Nam Il mouthed his pretentious agenda.

Nam Il's assertion that the 38th Parallel was indisputably the proper truce line between the opposed forces rested initially on two logical, but erroneous, premises. The first was the fact that Jacob Malik, Soviet Ambassador to the United Nations, had made a public remark in June, 1951, to the effect that both sides in Korea should withdraw from the 38th Parallel and cease fire. Since the United Nations Command had taken the direct initiative in seeking an armistice soon after Malik's remark, the Communists concluded that Malik's suggested truce line was satisfactory to the United States. Nam Il's second main premise was the fact that the Secretary of State of the United States had been reported as saying an armistice "on the 38th Parallel" would be satisfactory.*

For these reasons Nam Il no doubt was confident that serious opposition to the 38th Parallel as a truce line either would not develop or would not persist. Accordingly, Nam Il sought to "stack" the agenda, presenting therein his conclusion that the 38th Parallel was the only possible line of demarcation, or, as he put it, "the basis of the armistice."

Problems of Translation

Discussion between Nam Il and me flowed with all the speed of a stiff concrete mix. Each statement by Nam Il had to be translated into English and Chinese; each statement I made had to be rendered in Korean and Chinese. Interpreters stood at the elbows of each senior delegate to perform this exacting function. Nam Il appeared to be somewhat irritated by the inevitable delays of translation, and more so by the occasional errors made by his own interpreters. For our side, Lieutenants Horace and Dick Underwood, brothers, handled the Korean translation, and Warrant Officer Kenneth Wu provided the Chinese. They were impeccable linguists, adding keen intelligence to their talents as interpreters.

During translations, Nam Il chain smoked, fiddled with pencils (which he frequently broke), rattled papers, conversed in whispers with his Chinese colleagues, and generally conducted himself like a cat on a hot tin roof. The actual power in the Communist delegation, shrewd Chinese General Hsieh Fang, watched proceedings broodingly. Occasionally he passed a terse note to Nam Il, who invariably seemed to comply with the instructions contained therein. Hsieh Fang's sole concession to the tension of the situation was a nervous bobbing of his close-cropped head. His saturnine yellow face was a set mask, revealing nothing, expressing nothing.

These two men, Nam Il of North Korea and Hsieh Fang of Red China, were the source of all actions by the Communist delegation, with the Chinese taking an increasingly dominant role as time passed. Between them they provided unplumbed depths of cunning and deviousness as they sought to fasten upon the Korean Armistice Conference their "loaded" agenda.

They failed. The agenda finally adopted, after ten plenary sessions of bitter argument, contained no conclusions. It read as follows:

1. Adoption of agenda.
2. Fixing a military demarcation line between both sides so as to establish a demilitarized zone as a basic condition for the cessation of hostilities in Korea.

*See footnote on page 138.

. . . "On orders from Washington we agreed to a truce line, thereby giving the Red Chinese a respite from military pressure"

3. Concrete arrangements for the realization of cease fire and armistice in Korea, including the composition, authority, and functions of a supervisory organ for carrying out the terms of cease fire and armistice.

4. Arrangements relating to prisoners of war.

5. Recommendations to governments of countries concerned on both sides.

Despite the success of the United Nations Command delegation in preventing inclusion of Communists "conclusions" in the agenda, in retrospect it is clear that we made a grave error in forming the agenda, a mistake which ultimately cost us dearly. We failed to foresee the use that the Communists would make of the chronological order of the agenda items. By allowing the item on "Establishment of a Demarcation Line" to precede all others, we opened for the Communists a road to a *de facto* cease fire *prior* to agreement on other substantive questions. By agreeing to discuss the position of the truce line first, we permitted the Communists to insist that this question had to be settled before other agenda items were explored.

As will be discussed in a later chapter, on orders from Washington we eventually agreed to a provisional truce line with a thirty-day time limit, thereby giving the Communists a respite from United Nations Command military pressure. This allowed the Communists a sorely needed breathing spell in which to dig in and stabilize their battle line. Consequently, they were able to haggle and delay in respect to subsequent agenda items, free from the compulsion of impending military disaster.

In the end, the second principle of Communist negotiating methods, that of "stacking" the agenda, was frustrated. I must, in honesty, hasten to add that this outcome was not principally the result of negotiating skill on the part of the United Nations Command delegation. Rather, it was the result of our unmistakably firm refusal to agree to inclusion of Communist conclusions in the agenda, and to the crucially important fact that the United States Government backed the United Nations Command delegation to the hilt in this attitude. Probably most of all, the result was the product of the heavy pressure which had been exerted on the Communist armies by United Nations Command offensive operations prior to the conference. Nothing is so persuasive to Communists as force.

That the Communist agenda effort failed certainly was not a result of a lack of Communist effort at Kaesong, nor does it imply an omission of that same effort in the future. Attempting to rig an agenda with conclusions favorable to their cause costs the Communists nothing but the respect of those few people who persist in being so naïvely charitable as to put faith in the sincerity of Communist intentions. These few the Communists will disillusion at future negotiations. The rest of us will not be surprised.

CHAPTER V

CREATING "INCIDENTS"

ONCE NEGOTIATIONS have actually begun, Communists are not satisfied to allow matters to proceed in a climate of peace and calm. Rather, they create "incidents" calculated to provide advantage for their negotiating efforts or for their basic propaganda objectives, or for both. Such "incidents" do not simply occur: they are plotted and triggered by the Communist negotiating teams. Their two purposes, negotiating advantage and propaganda, are usually served equally by a single incident. Such a case was the first incident at Kaesong.

The strong insistence on equitable conditions at Kaesong registered by General Ridgway and me, coupled with temporary suspension of negotiations, had forced the Communists to agree to withdraw their armed personnel from the immediate vicinity of the Kaesong meeting place and to cease interfering with the movements of the United Nations Command delegation. The Communists had been compelled to accept these arrangements when General Ridgway peremptorily halted the negotiations on July 12th [1951]. He refused to allow the United Nations Command delegation to return to Kaesong until the Communist commanders agreed to guarantee the neutrality of the meeting area. Their urgent need for a military breathing spell left the Communists no choice except that of acceding to General Ridgway's just demands for equity at Kaesong. This transaction between General Ridgway and the Communist commanders was conducted in glaring publicity, to the keen embarrassment of the Communists.

As a result, the picture so carefully nurtured by the Communists, the picture of a United Nations Command begging a truce, had been knocked somewhat askew. To Communist minds it was clear that the time had come for an incident. It was necessary to paint in bold strokes the fact of Communist military dominance at Kaesong. They went about the job with commendable directness.

On the morning of 4 August, the United Nations Command delegation was proceeding toward the Kaesong teahouse in which the meetings were held. Our convoy of jeeps was halted in mid-course while an entire company of about one hundred heavily armed Chinese, complete with machine guns and mortars, marched across our path and through the immediate conference area. This was in flagrant violation of the commitments made to General Ridgway by the Communist commanders only two weeks earlier. The point of this demonstration seemed to be that notwithstanding verbal agreements to keep the conference area free of armed men, no one would be allowed to forget the hard fact that Communist military forces actually surrounded and controlled the area. To illustrate the point, the Communists simply marched an organized military force through the conference environs.

On entering the conference room, I immediately registered a vigorous protest to Nam Il. Blandly, he replied that the forces in question were "military police." Military police rarely march about in groups of 100, carrying heavy machine guns and 60-millimeter mortars.

On returning to Munsan that evening, I reported the in-

. . . "The Communist plan was to invoke the sympathy of the world by alleging fictitious brutalities perpetrated by the United Nations Command"

cident to General Ridgway, advising him that there could be no possible construction placed upon it other than intentional action designed to emphasize Communist military control of Kaesong. General Ridgway reacted with characteristic vigor. Resorting again to open radio broadcast, he announced suspension of the negotiations with resumption contingent on the creation of a neutral zone around Kaesong into which no armed personnel of either side were to be introduced.

The Communists hesitated five days before acceding to General Ridgway's requirements. To accept even justified dictation from the United Nations Command, establishing equitable conditions at Kaesong, was destructive of the illusion so painstakingly prepared. Those days of hesitation must have been a period of dead-end frustration for the Communists. If they did not accept General Ridgway's requirements, the military breathing spell they so badly needed would terminate. If they *did* accept General Ridgway's dictum, pretensions that Communists sat at Kaesong in the seat of victors would be difficult to believe. At the last they chose what must have seemed to them the lesser of the evils. They did not do so, however, without further efforts to turn even a bad situation to their advantage.

In replying to General Ridgway by radio broadcast in the English language, they politely accepted his requirements and requested the United Nations Command delegation to return to Kaesong as soon as possible. In transmitting the same message over their propaganda radios in Japanese and Chinese, the wording was very different. Instead of "requesting" the return of the United Nations Command delegation to Kaesong, the message "demanded at once." Thus they hoped to preserve some vestige of their battered illusion. General Ridgway did not allow the Communists even this face-saving maneuver. Instead, he declared their reply evasive and demanded still further assurances of equity at Kaesong. At the last the Communists were almost literally on their knees, begging the return of the United Nations Command delegation.

I feel sure that such a disastrous miscarriage of their scheme to demonstrate military dominance caused the Communists to invert the basic pattern of the incidents they instigated. Thereafter, all incidents were designed to regain "face" by disclosing alleged United Nations Command brutality in the use of military force around Kaesong, rather than Communist dominance.

Red Charge of "Ambush"

The next "incident" unfolded by the Communists violently revealed their new pattern. On 19 August, Communist liaison officers established contact with our own, charging that a Chinese "security patrol" in the newly established Kaesong neutral zone had been attacked by United Nations Command troops. Investigation revealed that a Chinese patrol of about fifteen men had been fired on from ambush, and the leader killed, a short distance within the imaginary circle of neutrality around Kaesong.

A joint investigation did not reveal a scrap of evidence that United Nations Command troops were involved in this action. All evidence pointed in the other direction. For example, it was established beyond question that those who executed the ambush were not in uniform, nor did they wear steel helmets. All United Nations Command troops in Korea were fully uniformed and possessed the American type of helmet. We concluded that this incident was the work of partisans living in the seventy-five square miles of the neutral zone. The Communists had previously informed our liaison officers that "individuals hostile to the armistice negotiations" were living in the Kaesong neutral zone. A few members of my staff suspected that the Communists might have arranged the incident themselves, using their own troops.

"Evidence" of Bombing Exposed

Despite all evidence to the contrary, the Communists loudly trumpeted a charge of "wanton attack" by the United Nations Command. The new pattern had emerged. The Communist plan now was to invoke the sympathy of the world by alleging fictitious brutalities perpetrated by the United Nations Command. Since the August 19th incident worked out fairly well for the Communists, at least without disastrous results, no doubt they felt encouraged. Accordingly, they hastened to cook up what they probably hoped would be a masterpiece. In this manner, the Kaesong conference site came to be "bombed."

At midnight of August 22d, our liaison officer, Colonel A. J. Kinney, was requested to come to Kaesong by his Communist counterpart, Colonel Chang. Chang's message to Kinney alleged that United Nations Command aircraft had bombed Kaesong in an effort to murder the Communist delegation. As I watched Kinney and his party depart in the dark and in a steady rain, I did not envy them their task.

While at Kaesong, Kinney was shown a series of displays of "evidence" calculated to prove a bombing of Kaesong had occurred and had been carried out by United Nations Command aircraft. Owing to the continuing activities of Air Force, Navy, and Marine aircraft in and over the general area, a possibility existed that one of our aviators had mistakenly attacked the neutral zone. On the other hand, Kinney, himself an aviator, was not much impressed with the "evidence." He was first shown a twisted piece of metal covered with oil which the Communists stated was a napalm bomb dropped by the attacking aircraft. There was no napalm jelly about, no scorching of the earth, no evidence of an explosion. Kinney identified the piece of metal as the wing tip of a crashed aircraft. At another point Kinney was shown a small, unexploded aircraft rocket. The Communists asserted the attacking aircraft had fired this projectile. Unhappily for them, United Nations Command air forces in Korea had not been issued a rocket of that size in nearly a year.

Thus the show proceeded until 3:00 A.M. Standing in the darkness and pouring rain, Kinney asked that the investigation be suspended until daylight. Chang refused, demanding an instant acknowledgment of responsibility by the United Nations Command for this "dastardly attack." No one was injured, and nothing was damaged by the alleged attack—a result not common after a United Nations Command air strike. When Kinney refused to acknowledge United Nations Command responsibility for this evident sham, Chang then announced the immediate and indefinite suspension of the armistice conference.

When Kinney reported the foregoing events to me, one fact stood out plainly. No individual Communist, not even their delegation, would have assumed the responsibility for terminating the armistice conference without checking such intentions with higher headquarters. Yet Chang was able to make

. . . "The Communist negotiating method seeks to gain advantage by aggravating our American tendency to impatience"

his announcement of termination *immediately* upon hearing that Kinney refused to acknowledge responsibility for the "bombing." It was inconceivable that higher headquarters—Pyongyang and Peiping, if not Moscow—could have been reached and could have reacted in the few hours between the alleged time of the bombing and Kinney's disclaimer. Accordingly, the conclusion was inescapable that the decision to terminate the conference was reached well before the alleged bombing occurred. This was the clincher which, along with the other technical errors committed by the Communists in setting up the "bombing," pointed the finger of responsibility straight at themselves.

Why did the Communists arrange the sham bombing of Kaesong, with its resultant break-off of the armistice conference? The answer to this question probably lies in the argument over the truce line. The initiation of armistice talks early in July, amid high hopes in the Western world that hostilities would soon cease, had caused a relaxation of United Nations Command military pressure on the Communist forces in Korea. The grinding attack of the United States Eighth Army had been slowed down, granting the Communist forces an opportunity to replenish their supplies and reinforce their battered units.

By mid-August the military capabilities of the Communist forces were improved over what they had been in June. Meanwhile, it had become apparent to the Communist delegation that we would not accept the 38th Parallel of latitude as the line of demarcation between both sides.

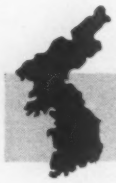
If they wanted this Parallel as a truce line, they would have to drive the battle line southward in Korea until it became coincident with the 38th Parallel. This being so, there remained the question of justifying the enormous casualties to be expected from a general offensive. To their minds it must have seemed desirable to break off the conference under circumstances which apparently justified that action, and which also justified another offensive against the United Nations Command. For such purposes, what could be better than to show a dastardly attempt by the United Nations Command to murder the Communist delegation in their beds? As an added fillip, such guilt fixed upon the United Nations Command might create dissension among the Western allies and weaken their will to resist an armistice on Communist terms.

Because the Communist charges of "bombing" and "attempted murder" were almost universally rejected throughout the Western world, the Communists did not achieve their purpose of creating dissension. Because those charges no doubt were believed throughout the Communist world, they probably achieved their purpose of justifying the attacks launched against the Eighth Army and the appalling losses suffered by the Chinese as a consequence.

From that point on, the Communist plan went completely sour. After stopping and then containing the initial attacks made by Communist forces, the Eighth Army began a counter-offensive of its own. By the end of September, the enemy was again in deep trouble. The line of ground contact, far from being moved southward to the 38th Parallel, had moved northward under the pressure of the United Nations Command offensive. Seeing this, the Communists promptly took action to resume the suspended negotiations.

Of all "incidents" by which the Communists sought to gain advantages, none was so bloody nor so successful as the Koje-do riots of prisoners of war. By instigating a violent revolt of prisoners held by the United Nations Command, the Communists created an atmosphere which gravely jeopardized the major position of our delegation in the armistice conference—that relating to the exchange of prisoners. How developments were affected by this maneuver will be described in a later chapter. It can be said now, however, that the prisoner riots were a consummation of continuous Communist efforts to gain negotiating or propaganda advantage by staging incidents calculated to serve those ends.

I shiver whenever I think by what narrow margins so many of their plots were frustrated. One thing is certain: future negotiations with the Communists will be marked by more incidents. The "incident" is one of their tested techniques. Employing it, the Communists fumbled or were tripped up many times in the Korean conference. But we may be sure they learned from those errors. For the future, watch out!



CHAPTER VI

ROADBLOCKS

ONE OF THE MOST NOTABLE negotiating tactics of the Communists is to delay progress. As a general matter, Communists believe that once negotiations have been initiated, to delay progress toward consummation of agreements tends to weaken the position of their opponents. They hope to exploit to their advantage the characteristic impatience of Western peoples, impatience to complete a task once it has been begun.

This is a shrewd analysis, particularly as it applies to Americans. We are a people who like to get things *done*. We are taught by word and example throughout our lives that once we tackle a job, the point is to finish it successfully as soon as possible. It is probably true that this same quality of impatience made America the greatest nation on earth. It is certainly true, however, that the Communist negotiating method recognizes and seeks to gain advantage by aggravating our American tendency to impatience through the imposition of endless delays.

Another primary Western characteristic the Communists rely upon in executing their delaying technique is our concern for human suffering. Since they are totally unaffected by humane considerations, Communists are willing to impose delays on negotiations even if such delays mean greatly increased human suffering and loss of life. At the same time, they know well that we of the Western world are unwilling to seek negotiating advantages through delays, if such delays entail increased human misery.

Accordingly, Communist negotiators act upon the premise that if they delay matters long enough, their free-world op-

. . . "The Communists clung to their proposal that the 38th Parallel be the truce line. They sought by argument to delay matters in the hope of realizing concessions"

ponents will recede from previously held positions in order to achieve a measure of progress, especially in the face of continued war and its attendant horrors.

An example of the Communist delaying tactics occurred in connection with the debate over fixing a line of demarcation on which war should cease. The United Nations Command insisted that this should be in the area of the line of actual ground contact, the battle line. The Communists clung to their proposal that the 38th Parallel be the truce line. Bear in mind that the Communists ultimately agreed to the line of ground contact: in fact, this solution probably was never truly objectionable to them. Still, they sought by extended argument to delay matters in the hope of realizing concessions from our delegation. In this context the following exchange took place on 11 August, 1951:

General Nam Il: With regard to your statement yesterday that your side is through with discussing our proposal of the 38th Parallel, I cannot but consider it as a rude and improper declaration that you are not willing to reach a settlement. If your side really has a serious intention to negotiate an armistice and to reach a settlement, you should give up such an attitude. In accordance with our consistent attitude of analyzing and studying the statements of the other side, I have again studied your statement of yesterday.

As a result, I cannot but say that our proposal of fixing the 38th Parallel as the military demarcation line is fair and reasonable and that it should be discussed and accepted. On the contrary, your proposal is unacceptable. Contrary to what you have been stating, our proposal of fixing the 38th Parallel as the military demarcation line is first and foremost drawn up and formulated on the basis of real military realities.

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We say that if it were not for the indiscriminate bombing and bombardment by your air and naval forces, your army would have long ago been driven out of the Korean Peninsula by our mighty and superior ground forces. That is our fairly high appraisal of the effectiveness of your air and naval forces. Moreover, ever since 27 July, we have repeatedly explained by logic and by facts this self-evident situation. Yet, you have never given any concrete reply to our explanation and instead still insisted upon the independence and superiority of your air and naval forces, and upon the compensation you must get for it when drawing the military demarcation line on the ground. This is not a commendable attitude.

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Red Claim: "Superiority"

Admiral Joy: Yesterday you stated: "Has it occurred to you, that according to your logic, should our army, acknowledged as mighty and superior by the whole world, stop fighting so that your troops will escape the fate of annihilation, are we not entitled to an even greater compensation and to propose a demarcation line and demilitarized zone to the neighborhood of the Naktong River?" Again today you mention your mighty and superior ground forces.

We do not now, nor have we ever disputed the great numerical preponderance of your ground forces. However, in view of your progress northward since February, we ridicule your use of the word "superior." We are quite willing to let the world judge that point.

We also recognize as self-evident the fact that the capabilities of these already numerically greater ground forces, available to you, will begin to increase the day an armistice goes into effect. These same capabilities will continue to materially increase each week the armistice is in effect. It is during this period when our air and naval forces must remain inactive that your ground troops could be rested and re-equipped without interference. They could be positioned at your leisure.

We know well that once these ground forces are fully reconditioned they have the capability, which presently is restricted, of launching and sustaining an attack that could be disastrous to any force not in a naturally strong and well defensive position. We know that you recognize that fact also.

It is exactly for the reasons you have stated that this delegation has consistently pointed out that the United Nations Command requires adequate natural defense positions with sufficient depth to ensure that they cannot be quickly overrun by a numerically greater ground force. We realize that it would take several weeks of full-time operation for our air and naval forces to again create that situation in your rear areas that presently prohibit the full utilization of your numerically greater ground forces.

Request for a Map

It is precisely for these stated reasons that the United Nations Command delegation has consistently held that the military realities which govern the present situation justify improvement in the defensive position of our ground forces as a just compensation for the withdrawal of our strong air and naval forces.

You have criticized our proposed demilitarized zone. We would welcome an exposition of *your conception* of a demilitarized zone *based on the present battle line and the over-all military situation.* Will you provide us a map showing such a zone?

General Nam Il: Is that all?

Admiral Joy: That is all.

General Nam Il: We have repeatedly explained the military demarcation line and also the demilitarized zone. We clearly explained that the 38th Parallel should be fixed as the military demarcation line and troops of both sides should withdraw ten kilometers on each side and establish a zone of twenty kilometers as the demilitarized zone.

The 38th Parallel appears clearly on the map. The withdrawal of ten kilometers north and south of the 38th Parallel, that is so clear that one does not have to look it up on a map.

In my statement this morning, I have again made clear the content of our proposal and pointed out that your proposal is unacceptable.

You have deliberately maintained, in order to confuse people, that the military demarcation line and the demilitarized zone you proposed are based on the present battle line and that they are located in the general area of the battle line. You have also deliberately confused the military demarcation line, the southern boundary of the demilitarized zone and the present battle line.

In order to support your proposal of pushing the military

. . . "Violent riots plotted and executed by the Communist prisoners provided excellent propaganda with which to denounce our principle of 'no forced repatriation'"

demarcation line to the north of the 38th Parallel, deep into our positions, you have persistently emphasized the so-called superiority of your naval and air forces and that, therefore, you must be compensated on the ground.

Yet, today you have presented a new and strange argument that since our army is already superior at present, it will be more so after armistice and, therefore, you should be again compensated for reasons of security. In using these self-contradictory arguments in support of your proposal, do you not feel ridiculous?

You said that because your air and naval forces were strong you should be compensated, and now you admit that your army is weak, but again you claim that you should be compensated. Just imagine, you need compensation no matter whether you are strong or weak. Is that not completely without reason, and wholly nonsense?

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"You Have Slammed Every Door"

Admiral Joy: Yesterday you used the word "arrogant" in connection with a proposal the United Nations Command delegation now has before this conference. The United Nations Command delegation has been in search of an expression which conveys the haughty intransigence, the arbitrary inflexibility, and the unreasoning stubbornness of your attitude. Arrogance is indeed the word for it.

From the first day of these conferences your arguments have reflected the very essence of arrogance. You stated, in your opening remarks, that *your* view in regard to a military line of demarcation *had* to be accepted. You have made the same statement over and over again. Once more yesterday, you stated that *your* solution to the question of a demarcation line "must be accepted." Your attitude has been that of an arrogant dictator, not that of a negotiator seeking in good faith an end of hostilities.

By your obdurate and unreasoning refusal to negotiate you have brought these meetings to a standstill. You have slammed every door leading to possible progress. By trying to deceive the world into believing that you have defeated the United Nations Command, you have delayed and stalled these meetings. You refuse to negotiate except on your own terms, thus seeking to falsely portray yourself as a victor dictating to the vanquished.

When the United Nations Command delegation presented its original proposal regarding a demarcation line, you rejected it summarily. You stated you would not give it serious consideration. You contemptuously knocked aside the map we offered for your consideration.

When the United Nations Command delegation proposed that possible adjustments of the demarcation line based on the battle line be considered you flatly rejected this proposal. You implied there was no need to study the physical location of a demilitarized line, since you had already provided a solution you unilaterally considered suitable.

When the United Nations Command delegation urged you to join in studying the proposed demilitarized zone from a map, you refused. The United Nations Command delegation pointed out that to study the proposed demilitarized zone on a map would at least clear up any possible misunderstanding concerning the proposal. You rejected even that.

Yesterday you placed a conclusive cap on your record of arrogance. You stated, and I quote: "We oppose the scheme of fixing the military demarcation line at the present battle line," unquote. You thus revealed clearly the fact that you engaged in these conferences only to present demands, not to negotiate solutions. You seek to gain a political division of Korea by mere repetition of your arrogant demands. You offer no logic because you have none. You merely state, restate, and state again your peremptory demands.

All the world realizes that a military armistice is a device to halt the fighting until the issues which caused the fighting to start are settled. All the world knows, therefore, that military armistices are and ought to be a reflection of the over-all military situation at the time the armistice is put in effect. Yet you, in your absurd arrogance, oppose a military demarcation line conforming with present military realities.

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Ruthlessly, arrogantly, and with the assumed air of a victor, you baldly assert that your demands must be met. The record of these proceedings has become your unanswerable accuser. You did not come here to stop the fighting. You did not come here to negotiate an armistice. You came here to state your price—your political price—for which you are willing to sell the people of Korea a temporary respite from pain. You have tried to camouflage your purpose in words cleverly designed to trap the unwary. You are failing. Your arrogance and your bad faith stain through every attempted deception. The immutable facts hold you guilty of having delayed, and of continuing to delay, the end of hostilities in Korea. I do not envy you the place to which Truth assigns you.

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General Nam Il: There is nothing new in your statement. Your statement does not frighten us and cannot change our stand. As our proposal of making the 38th Parallel the military demarcation line and our proposal of establishing a demilitarized zone is fair, reasonable, and proper, we will continue to insist upon it.

We agree to your proposal of recessing until tomorrow, 1000 our time, and 1100 your time.

Exchanging Prisoners

The most extended delay imposed upon the Korean Armistice Conference by the Communists was in connection with the exchange of prisoners of war. The United Nations Command took the position that all prisoners of war should be "screened," that is, questioned individually as to whether they wished to return to the side of their origin. We contended that if a prisoner refused to return to Communism, we should not force him to do so at gun point. This was the procedure of "screening" and the principle of "no forced repatriation" of prisoners advocated by the United Nations Command delegation. The Communists attacked the "screening" process as one the United Nations Command conducted under a reign of terror. Violent riots plotted and executed by the Communist prisoners held by the United Nations Command had resulted inevitably in some injuries and deaths among these prisoners. Thus the Communists provided themselves with excellent propaganda with which to denounce our screening process and our principle of "no forced repatriation."

. . . "In total, the Communists utilized delaying tactics to string out the Korean Armistice Conference for more than two years"

For more than a year the Communists refused to accept this procedure and this principle. In the end they did accept them, unchanged in any significant detail from their substance of a year earlier, when first advanced. This delay cost all involved more than fourteen months of war in Korea. Casualties resulting in that period ran into hundreds of thousands. Yet, throughout, the Communists clung to the hope that their delaying tactics would so impose upon either the impatience or the humanity of the Western governments as to cause us to abandon the principle of no forced repatriation. When they finally came to the conclusion that such an erosion was not going to occur, the armistice was achieved.

U. N. Position "Unchanging"

As an illustration of the unchanging nature of the United Nations Command position on prisoner exchange, consider the following discussion. These exchanges took place more than a year before the armistice was signed. Bear in mind that the ultimate exchange of prisoners did *not* involve forcing unwilling prisoners to return to the side of their origin.

General Nam Il: The iron-clad fact is that your side has carried out violence against our captured personnel and pushed through your so-called screening by force in an attempt to retain forcibly our captured personnel as your cannon fodder. The reason is perfectly clear. If the criminal acts committed by your side in pushing through by violent means your so-called screening among our captured personnel had not reached an intolerable degree, our captured personnel would not have run the risk of mass murder by raising their just demands to your side. Your side has employed violence, conducted forcible screening to retain our captured personnel, and rearmed them to serve as your cannon fodder.

The responsible authorities of your side attempted to deceive the world by claiming that your side would not buy an armistice by turning over human beings for slaughter or slavery. But it is exactly your side who would not hesitate to pay the cost of an armistice in Korea for the forceful retention of captured personnel to be subjected to your murder and slavery. And in order to attain this objective your side has already subjected our captured personnel to constant slaughter and slavery.

Can your side deny that the criminal acts of "insults, torture, forcible writing of petitions in blood, threatening, confinement, mass murder, shooting and machine gunning, making experiments on prisoners of war with poison gas, germ weapons, and atomic bombs" carried out by your side against our captured personnel in disregard of the Geneva Convention relating to prisoners of war and repudiating the minimum standard of human behavior are all concrete facts of slaughter and slavery?

To retain our captured personnel for your murder and slavery, that is the substance of your unilateral and unreasonable proposition on the question of prisoners of war embodied in your proposal. The heroic struggles of our captured personnel have revealed to the whole world the substance of your proposal.

Your side has no longer any pretext to continue to insist on your unilateral and unreasonable proposal, to delay the armistice negotiations, and to block the realization of an armistice in Korea. Our side has pointed out long ago that it is an inescapable and absolute obligation of the commanders of both sides to repatriate unconditionally all the prisoners of war in their custody following the armistice, and that it is totally impermissible to conduct any screening of the war prisoners.

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Our side has categorically rejected your unilateral and unreasonable proposal. Our proposal is the only reasonable basis for the settlement of the question of the prisoners of war and the attainment of an armistice. The question of prisoners of war is now, in effect, the only question blocking the realization of an armistice in Korea.

Admiral Joy: It has been our thought that in a very short time your propaganda would become so transparently ridiculous as to condemn itself. Your statement today confirms that judgment. Will you agree to put your wild charges to the test of fact by repeating the screening process under the joint supervision of both sides, or do you fear the outcome? We are willing to repeat the screening of prisoners under conditions of strict equity as between your side and ours. What you object to is not the screening process but its results.

As long as you continue to have nothing constructive to offer, I suggest a recess until such time as you desire to meet again.

General Nam Il: How can it be wasting time when we ask you to deal responsibly with your clear violation of the agreement, and how can it be a waste of time when we ask your side to accept our proposal for the settlement of the question and when we point out your illegal actions? We have all the rights to point out at the conference all the serious incidents in which your side has successively violated the agreement and we have the right to ask you for a responsible settlement of them.

Your attempt to use the word "propaganda" to cover up the iron-clad facts which are detrimental to your proposition only serves to show that your side has already run out of any reason or argument, that your side cannot look into the eyes of the people of the world.

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Our side proposes that the conferences be continued at the usual time tomorrow.

Admiral Joy: Very well, we agree.

How Reds Slowed Agreement

In total, the Communists utilized delaying tactics to string out the Korean Armistice Conference for more than two years. A period covering seventeen days was required to reach agreement on what was to be discussed. The conference was suspended by Communist action over the previously described Kaesong "bombing" incident for a cumulative period of approximately two months.

Agreement to use the actual battle line as a cease-fire line was finally reached more than four months after the conference began. Agreement to refrain from forcibly returning prisoners to the side of their origin was wrung from the Communists after two years of delay.

In each of these cases, the delay imposed on the conference was the direct result of Communist tactics, since in each case the ultimate solution was substantially that which had been

. . . "The Communists insisted on a truce line, the 38th Parallel. With this solution, they would have achieved the capture of a large territory they had not been able to win in war"

originally proposed by the United Nations Command, months or years earlier.

To the uninitiated it may seem inequitable to charge the Communists with deliberately delaying the conference during periods in which they argued for their proposed solution of a particular issue as against the solution proposed by the United Nations Command. One must consider the nature of the proposals involved, however, to determine responsibility. We Americans tend strongly to a line of action that we call "being reasonable."

This means that each party to a dispute should be prepared to modify his position somewhat in an effort to achieve an agreeable solution. Yet, such an attitude is based on the implicit assumption that each party to the dispute sincerely believes his position is the correct one. We do not compromise with a man who insists that 2 plus 2 equal 6. Nor would we seriously consider the view of one who presented us a bill for $10,000 in connection with repairing our television set. The point is that the relative reasonableness of *initial* positions taken must be considered before we decide that both parties in a dispute should give a little.

Initially the United Nations Command delegation proposed a truce line north of the line of ground contact. We contended that a northward adjustment of the ground-contact line was necessary to compensate for the withdrawal of United Nations Command air and naval operations, which ranged hundreds of miles north of the embattled ground forces. This was a bargaining position, and even while proposing it we made plain our interest in a solution on the line of ground contact. The Communists, however, insisted on the 38th Parallel.

Thus the effective proposal of the United Nations Command was that the truce line conform to the line of ground contact between the two opposing armies. This proposal required neither side to withdraw its ground forces from the positions then held, to surrender no territory then controlled. It did require the United Nations Command to withdraw its air and naval forces from areas in which they were freely operating. In contrast, the Communists insisted on a truce line, the 38th Parallel, that would have required a general withdrawal of the United States Eighth Army twenty to fifty miles, with a corresponding advance of the Communist army. With this solution, the Communists would have achieved the capture of a large territory they had not been able to win in war.

It is apparent that the two solutions of the truce line question cited above cannot be considered rough equivalents, representing two differing but equally sincere views. The battle-line solution was, in itself, a substantial concession to the Communist viewpoint, in that the United Nations Command agreed to suspend the activities of our air and naval forces deep in the Communist rear. By accepting this solution, the Communists received at least equity. The months they expended in an attempt to gain advantages far in excess of equity must be charged to them as delaying tactics.

Because of our American tendency to feel that a deadlocked issue should be solved by mutual concessions, the Communists are on favorable ground in applying their delaying tactics. By proposing that 2 plus 2 equal 6, and by then delaying an agreement interminably, the Communists hope to lead us to agree that 2 plus 2 equal 5.

CHAPTER VII

PREMEDITATED CRIMES

COMMUNISTS REALIZE that negotiations must necessarily result in some few agreements that are objectionable from their points of view. They know that the very nature of the act of negotiating involves accepting some of their opponent's proposals either in whole or in part. Since they appreciate this as inevitable, Communists seek to reduce the magnitude of commitments they are compelled to make and which they intend to dishonor. They aspire to reduce the scope of investigations which may arise from their premeditated violations of agreements. There is no question in my mind that this dark thought lies behind the current Communist refusal to accept effective inspection and supervision of any international agreement to disarm.

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Perhaps the most striking example of this Communist tactic occurred in connection with determination of the number of "ports of entry," during the debates on Agenda Item 3. This agenda item dealt with setting up armistice safeguards against either side increasing its military capabilities during the truce period. Agreement had been reached between the two delegations limiting the resupply of war materials and replacement of military personnel to that necessary to sustain the existing levels in Korea at the time the armistice went into effect. No increase in levels of war materials or personnel was to be permitted. As a result of this agreement, it became necessary to specify the cities, or ports of entry, through which *permissible* resupply was to be effected, and to provide groups of observers—"policemen"—at each entry port to supervise the resupply activities. This would mean that all permissible resupply must pass through the specified entry ports, there to be checked by the observers appointed from neutral nations which had not participated in the Korean War. For this purpose, the Communists proposed one city in North Korea, one in South Korea.

In order to appreciate the meaning of this Communist proposal, one must recall that the Communist army in Korea numbered nearly one million men. All military supplies for this force came from outside Korea. To sustain a force of such numbers, even under conditions of truce, through one entry port in North Korea was and is a logistic fantasy. Calculations by the logisticians of the United States Far East Command indicated that a minimum of five ports of entry would be required to support the United Nations Command forces in Korea, despite the fact it numbered less than half the Communist strength.

. . . "At the root of the Communist attitude lay their settled intent to circumvent any aspect of the armistice agreement that did not operate to their advantage"

With all due respect for the ingenuity of the Communists in solving their logistics problems, it could not be accepted that they were ten times as capable as the United Nations Command. We, therefore, were forced to conclude that they had no intention of abiding by the agreement to use only the specified ports of entry, regardless of the number. In furtherance of this intention they sought to limit the number of ports of entry, since by doing so they would reduce the number of neutral observers behind their lines, and thus gain greater freedom to violate the agreements regarding resupply.

Being intent on honoring the resupply agreement scrupulously, and having no fear of any number of neutral observers, the United Nations Command initially proposed ten ports of entry on each side. The Communists absolutely refused to consider this. They wanted no such number as ten neutral observer teams stationed in their rear areas, and embarrassing their opportunities to violate agreements.

After extended debate the Communists altered their original proposal to provide for three ports of entry on each side. In seeking to gain our acceptance of this insufficient number, the Communists expended more than a month of conference effort. It was apparent they were quite anxious to have no more neutral observer teams in their rear areas than could not be avoided. For our part, we realized that the Communists probably had no intention of honoring the agreement on ports of entry; but since the United Nations Command intended to comply with that agreement we had to insist on enough ports of entry to render our compliance possible. After many weeks of debate, agreement on five ports of entry was finally reached.

Goal: Truce, Not Peace

In like manner, the Communists argued stubbornly against the United Nations Command proposals regarding allowances for the rotation of personnel. Rotation allowances were intended to provide authority for the replacement of personnel as they were withdrawn from Korea on completion of tours of duty. It must be remembered that the basic conditions being sought by the armistice conference were those of *truce*, not of *peace*. Accordingly, it was necessary to sustain the military strength of the United Nations Command during the period of truce, and until a peace settlement was reached.

Without rotation allowances, the individuals in Korea would be obliged to remain there indefinitely, or alternatively the force would have faded out of existence as a result of routine completion of tours of duty. The United Nations Command policies provided for one year of duty in Korea for each military man, at the end of which the individual was withdrawn and another took his place. As a result, it was necessary to replace about 35,000 men each month. In this manner a force of 420,000 men could be completely replaced in a year's time. Yet, with a force in Korea of about 1,000,000 men, the Communists initially proposed a rotation rate of only 5,000 per month. This would have meant a tour of duty of seven years for American soldiers in Korea, and a tour of about fifteen years for Chinese soldiers in Korea.

Despite the obvious nonsense of this proposal, the Communists held to it for months. Their purpose was a dual one. First, by holding personnel rotation allowances to a grossly insufficient figure, they hoped to accomplish the attrition of United Nations Command forces until none remained in Korea. Second, the Communists hoped to reduce the number of neutral observers needed in their rear areas by curtailing the scope of the activities to be observed. They did not succeed. On the question of rotation allowances, Washington for once permitted the United Nations Command delegation to hold firm. In the end the Communists grudgingly accepted our figure of 35,000 for monthly rotation of personnel.

At the root of the Communist attitude toward such questions as the ports of entry, rotation allowances, and related neutral observer teams lay their settled intent to circumvent any aspect of the armistice agreement that did not operate to their advantage. It was with this same intent in mind that they approached the question of airfield reconstruction.

The Question of Airfields

The United Nations Command delegation proposed to the Communists that as of the time the truce was signed, no new construction or rehabilitation of airfields should take place on either side. This proposal was consistent with the spirit of other proposals already accepted by the Communists. Our intent was to freeze the military situation in Korea as it existed when the armistice went into effect. Agreements to limit resupply of military matériel and replacement of personnel were designed to prohibit an *increase* of combat effectiveness by either side. The article agreed to by the Communists in respect to resupply of matériel specified that replacement of military equipment should be carried out on an item-for-item basis, "without increase of combat effectiveness." Obviously, to build military airfields constituted an increase in combat effectiveness, since the capabilities of air power are a function of aircraft and bases. This was especially true in the case of the Communists, who possessed not a single continuously operational airfield in North Korea. The Communist MIG aircraft that operated along the Yalu River did so from bases in Manchuria, immune from attack. Airfields in North Korea, however, were regularly bombed by United Nations Command aircraft and had not been "combat effective" during any significant period of the Korean War. It did not make military sense, therefore, to allow the Communists to utilize the respite from bombardment afforded by a truce in rebuilding destroyed airfields or in building new ones.

With restored airfields in North Korea from which to operate, the short-ranged MIG jet fighter could sweep down out of the Manchurian sanctuary, refuel on the North Korean bases, and launch heavy attacks deep into South Korea. This capability depended completely on the existence of operational North Korean bases. Such bases did not exist during the Korean War. We of the United Nations Command delegation could see no reason why the Communists should be allowed to develop an important military capability during the period of truce. We felt that to allow such action regarding airfields was not greatly different than to allow the introduction of additional infantry divisions into Korea, or any other action which would materially increase Communist military capabilities. We had to consider the inescapable possibility that the armistice might not endure, and therefore we could not willingly accept substantial augmentation of our enemy's strength during the truce.

The Communists attempted to imply by vague statements that they really had no intention of building up military airfields during the truce period, but simply could not agree to what they termed "unwarranted interference in our internal

. . . "After the armistice was signed, the Communists built more than twenty military airfields in North Korea"

affairs." (After the armistice was signed, the Communists built more than twenty military airfields in North Korea.) They contended that the United Nations Command sought to perpetuate the damage done by its "wanton bombings" which, according to the Communists, had not really damaged airfields, but instead had only killed innocent women and children and laid hospitals and cultural buildings in ruins. Still, they insisted on their right to rehabilitate the airfields which, they inferred, we had failed to damage. Listen to Nam Il on this point:

General Nam Il: I will make a statement. In your statement yesterday you once more put forth the proposal of the so-called limitation on the increase of military facilities of both sides during the period of the armistice, and the view that the supervising organ should have free access to all parts of Korea. I must point out once more that this proposal and this view obviously involve political questions, and that the military armistice conference absolutely should not and cannot make decisions on them. Such a proposal and view constitute a direct interference in the internal affairs of the other side, and are absolutely not to be tolerated.

You say, "It is incredible that with good faith you could propose inclusion into the armistice agreement of provisions which would permit you to build up your military power." I must emphatically point out that it is entirely a matter of internal affairs of the Korean people to deal with their own defensive facilities during the armistice, and that there is entirely no necessity to require that the provisions for this permission should be made in the armistice agreement.

Whose air force has been carrying out inhuman and wanton bombing in Korea, and whose air force has been heroically fighting in self-defense against such inhuman and wanton bombing is well known to the peoples throughout the world. It is exactly because of the fact that our anti-air-raid facilities are as yet not so universal as to cover the whole of the Democratic People's Republic of Korea that the wanton bombing of peaceful Korean towns and villages by your air force could have brought the Korean people such a disaster as they shall never forget. And yet your side openly refuses to withdraw from Korea, during the military armistice, the air force of your side which is used for offensive purposes, and even refuses to discuss this question. What reason then can you have to interfere with the sacred and inviolate right of the Korean people to defend themselves by arranging their defensive facilities?

"Observation" Opposed

The view put forth by your side that the supervising organ shall have free access to all parts of Korea likewise constitutes an interference in the internal affairs which our side absolutely cannot tolerate. I have already pointed out that, under any circumstances whatsoever, it would be inconceivable and even less warranted that during the military armistice, when the state of war is yet to be terminated, one of the belligerents should establish observation posts for conducting ground, sea, and air observation beyond the demilitarized zone at principal cities, ports, and communication centers of the other side which is an independent sovereign state; that it should have freedom of movement over the principal lines of communication in the rear of the other side; and that it should carry out aerial observation and photographic reconnaissance throughout the rear of the other side. You state that your side would welcome observation by our side; but our side has no intention whatsoever to carry out reconnaissance in the so-called area under your control, nor does our side have the intention to interfere in the internal affairs of the so-called area under your control, nor in any case will we agree to your attempt to have free access to the territory of our side to carry out reconnaissance.

"The Same Propaganda"

Admiral Joy: You have offered nothing new in your statement. We have heard the same propaganda before. Your statement only convinces us of the purposes you have in mind during the armistice. From what you have said this morning, it is clear that you don't want an armistice. All you want is a total cease fire so as to permit you to increase your military capability to the extent you desire and at will. Our idea of an armistice is a simple one: that neither side gain a military advantage over the other during the period of the armistice. This is the only basis upon which we can agree. It should be the only basis upon which you should agree if you were sincere in desiring an armistice. As military men, you should recognize that the United Nations Command cannot enter into an armistice with you which does not involve an understanding by both sides to refrain from attempting to gain a military advantage during the suspension of fighting.

General Nam Il: The question of the military facilities is an internal question, and is not a question to be discussed at the armistice conference. As to the observation question, too, you want to have a freedom of movement in observing in the rear of our side, but that is also an interference in the internal affairs of our side. Outside of the demilitarized zone agreed upon by both sides, you have no right to observe freely in the rear of our side. You said that we, too, could make observation in your rear, but we do not make any such demand and we are not accustomed to doing so. We hope you will clearly understand such stand of ours.

It was the full expectation of the United Nations Command that if the Communists were allowed to build airfields in North Korea, they would then secretly introduce jet aircraft into Korea, violating the armistice terms thereby, and thus assemble a formidable jet air force in North Korea. Today this expectation is a fact. A powerful MIG force now operates from a multitude of air bases in North Korea. Before the truce was signed, this deadly Communist capability did not exist.

In dealing with the airfield question, the Communists could not settle for mere reduction of the magnitude of an agreement they intended to violate. They could entertain no agreement at all on this subject. Their apparent reasoning was flawless. It is an easy thing for them secretly to introduce into North Korea more tanks or guns than the armistice agreement allows, and even easier to keep the presence of such unauthorized tanks or guns hidden from the eyes of neutral observers. Airfields, however, are impossible to hide. Accordingly, the Communists flatly refused agreement to refrain

. . . "When Washington decided to allow the Communists to build airfields in North Korea, the basic premise upon which the armistice had been designed went up in a wisp of smoke"

from building airfields. Weak as was their argument regarding "interference in internal affairs," the Communists clung to it until higher authorities in Washington finally directed the United Nations Command delegation to concede the issue to the Communists. This concession utterly departed from the basic principle on which the United Nations Command delegation had been trying to arrange the armistice—the principle of freezing the military capabilities of both sides so that neither could add substantially to its strength during the period of truce.

In order to explain the attitude of the United Nations Command delegation on the airfield question, I am compelled to deal briefly with the basic philosophy of an armistice as we understood it. First of all, an armistice is not enduring peace; it is a cessation of hostilities, quite possibly only a temporary cease fire. Technically, a state of war continues to exist during an armistice. During the period of cease fire, the governments involved attempt to arrange a peace permanently terminating hostilities.

It must be kept in mind, however, that the governments involved may not be able to agree on peace terms, as indeed they have not in respect to Korea. It is conceivable hostilities may then be resumed and continue for an indeterminate period.

Accordingly, our concept of an armistice was that of a cease fire arranged under conditions precluding substantial change in the relative military strengths of the opposing sides. Thus, if hostilities were resumed after a period of truce, no significant advantage would have been achieved by either side. This concept supported the entire complex of agreements by which we sought to safeguard the armistice. It was also the basis of the United Nations Command insistence upon a line of demarcation providing defensible battle positions for the ground forces and was the principal reason we opposed the 38th Parallel solution offered by the Communists.

When Washington decided, in a final effort to achieve an armistice, to allow the Communists to build airfields in North Korea during the truce period, the basic premise upon which the armistice had been designed went up in a wisp of smoke. With that action, there was no longer any chance to prevent the military capabilities of Communist forces in Korea from increasing in a major degree during the truce. And so they have, fulfilling the criminal premeditation of the Communist negotiators at Kaesong and Panmunjom.

CHAPTER VIII

THE VETO

WHEN THEIR ATTEMPTS to avoid agreements tending to restrict them are not entirely successful, and their efforts to reduce the magnitude of agreements they intend to dishonor have been pressed as far as possible, the Communists then seek to retain a veto on all machinery of enforcement of agreements. In the discussions on Agenda Item 3, relating to the supervision of the Korean armistice, the Communist interest in retaining the veto power became apparent. Over the steady objections of our adversaries, we of the United Nations Command delegation had insisted upon the creation of supervisory organs to check the compliance of both sides with terms of the armistice.

Two organizations were visualized. One, a Military Armistice Commission, was to supervise, among other things, proceedings in the narrow neutral strip between the two opposed armies after the cease fire went into effect. The other, a Supervisory Commission, was to be charged with the inspection of activities of each side in the rear areas. This latter commission would conduct its inspections by means of a number of observer teams permanently located at ports of entry, and by another group of mobile observer teams which could be sent anywhere to investigate reported armistice violations.

In order to facilitate the functions of these mobile neutral observers, we had proposed that the observers be afforded the right to reconnoiter by air any area of Korea. The Communists refused to agree. They insisted on a two-edged veto. First, they proposed that the activities of the supervisory bodies be contingent upon unanimous agreement of the members. A dissent by one of the Communist members would constitute a veto. Second, they refused to allow aerial reconnaissance. Thus, even if all Communist members of the supervisory organ voted in favor of investigation, the observer teams on the ground could be effectively frustrated through lack of aerial reconnaissance.

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The Communists fought to retain a veto on the essential machinery of armistice supervision, a veto on initiation of supervisory action and on effective means of executing investigations.

Later on, Washington required the United Nations Command delegation to concede the question of aerial reconnaissance to the Communists. As a result, though we did eventually win grudging Communist agreement to procedures not contingent upon unanimity in the supervisory organizations, our victory was hollow.

We lost the most effective means of investigating violations of armistice terms, violations that the Communists began to perpetrate as soon as the truce was signed.

Without aerial reconnaissance, armistice supervision becomes blind. Being blind, the supervisory organs have proved to be as ineffective as a sightless floor detective in a department store.

With the result foreseen, we of the delegation protested to higher authorities against the decision to abandon insistence upon aerial reconnaissance. When we reluctantly did concede that equitable and necessary element of armistice supervision, the subject of rear-area inspections became academic. The Communists had their veto, and well have they used it to their advantage.

CHAPTER IX

RED HERRINGS

A BASIC NEGOTIATING TECHNIQUE of Communists is to introduce spurious issues and use them as bargaining points. To illustrate, imagine that two men are discussing the sale of an automobile. Suppose that the seller demands $1,000 for his car: the buyer offers $700. If the seller followed the Communist method, something like the following would occur. The Communist seller would propose that the buyer agree in writing to purchase all his future automobiles from the same Communist salesman. The buyer rejects this, pointing out how unreasonable such an undertaking on his part would be. The Communist seller insists, however, that the buyer should accept the proposal, and continues to so argue over an extended period of time. Naturally, under such circumstances, you or I would terminate the discussion peremptorily and find another source of the automobile we need. This is not possible in international negotiations, however, since matters of life and death are at stake.

Accordingly, our analogy must continue. After pressing his proposal to commit the automobile buyer forever to buy from only one source, himself, the Communist seller at last states that he will withdraw his proposal only if the buyer will agree to pay $1,000 for the car in question. When the buyer protests, the Communist seller contends that he has made a great concession in withdrawing his proposal; therefore, the buyer should be willing to make a concession on the price of the car. If this sounds fantastic, read further and observe it in practice.

After long opposition to any kind of armistice supervision agency, the Communists at last proposed the principle that a Neutral Nations Supervisory Commission should be established. This commission, to be composed of representatives of nations *neutral* in the Korean War, was to have the task of supervising execution of armistice terms by both belligerent sides. To this much, both delegations were agreed. The only question remaining was to agree on the specific nations to compose the commission. Each side was to nominate three neutral nations acceptable to the other side. The United Nations Command nominated Sweden, Switzerland, and Norway.

Allied to the question of composition of the Neutral Nations Supervisory Commission was that of airfield rehabilitation. The Communists had already made it evident that they would not agree to be limited in building or repairing their military airfields during the truce period. They needed a negotiating device with which to bargain for United Nations Command agreement which would allow them to construct military airfields in North Korea after the armistice was put into effect. To this end the Communists dredged up the most absurd red herring it has ever been my misfortune to encounter: they proposed that the Soviet Union, along with Poland and Czechoslovakia, be named as members of the Neutral Nations Supervisory Commission. In effect, they asked the United Nations Command to agree that the Soviet Union had been and was neutral in respect to the Korean War.

Soviet Arms in Korea

The guns, the aircraft, the tanks, the marine mines, the ammunition, the fuel, the trucks, and the military advice that had been used by Communist forces in the Korean War came from the Soviet Union. When my senior liaison officer first established contact with the Communists at Kaesong, he was held at the point of Russian machine guns, conveyed to the meeting place in a Russian jeep, even offered a bottle of vodka. It was the Soviet Union that attempted to prevent United Nations assistance to South Korea. It was the Soviet Government that sought to block United Nations resolutions condemning North Korea and Red China as aggressors and calling on all United Nations members to assist the victims of their aggression. This was the government proposed by the Communists as a neutral in the Korean War.

There is not a doubt in my mind that the Communists realized fully how unacceptable the Soviet Union was to the United Nations Command. They knew that we would oppose their nomination of the Soviet Union as a neutral nation, and they intended to withdraw that nomination at a later date in return for favorable resolution of the airfield issue. Exactly that ensued. The Communists must have been astounded, however, at one aspect of the developments with regard to their red herring. They accrued a bonus they could not have expected. The United States Government declined to base its opposition to Soviet membership in the Neutral Nations Supervisory Commission on the frank and solid argument that the Soviet Union was not a neutral in the Korean conflict. Instead, the United Nations Command delegation was directed to object to Soviet membership on the Neutral Nations Supervisory Commission on the grounds that the Soviet Union had a common border with North Korea. While this was an unassailable fact of geography, it had little relevance to the issue at hand.

The "Peace-Loving U.S.S.R."

The fact that the United Nations Command delegation could not denounce the Soviet Union for what it was—the mainspring and logistic base of aggression in Korea—soon became apparent to the Communists. Gleefully they exploited the situation. Again and again the Communist negotiators taunted us:

> "Why do you give no logical reason for opposing the great, peace-loving U.S.S.R. as a member of the Neutral Nations? You give no reason because you have none. You are unable to deny that the U.S.S.R. is a true neutral in the Korean conflict."

And so it went day after day for many weeks. Meanwhile, Washington offered us further ammunition of the "common-border" variety. We were authorized to point out that the Soviet Union participated in the liberation of Korea from Japanese forces at the end of World War II, and, therefore, should be excluded from the Neutral Nations Supervisory Commission. The Communists ridiculed this lame argument as enthusiastically as they had lambasted the "common border" offering. I could not understand the reasoning of those in Washington who felt that we should refrain from declaring the truth, of objecting to the Soviet Union because that government was a party to the aggression in Korea. After some years of reflecting, I have been unable to perceive any sound reason for such timidity, nor observe any worth-while fruits of that attitude. There is still a great deal to be said for forthrightness, even in international negotiations.

Discussion of the issues by senior officers of the two delegations soon reached a point of complete impasse. In an effort

. . . "The Communists proposed that the neutral observers inspect every detail of military equipment as they checked it in or out. Such a procedure would have exposed all United States technological secrets to our enemies"

to make progress, the United Nations Command delegation proposed, and the Communists agreed, to direct the staff officers of each side to carry on the discussions. Accordingly, Colonels Darrow and Kinney for the United Nations Command and Colonels Chang and Pu for the Communists tackled the thorny question of the Soviet Union as a neutral nation. The following excerpts from February, 1952, meetings of these staff officers indicate the manner in which the Communists exploited our inability to state flatly that the Soviet Union was no neutral in the Korean War:

Colonel Chang: I would like to make a statement. I submit hereby the names of three neutral nations which the Korean People's Army and the Chinese People's Volunteers are prepared to invite; namely, the Soviet Union, Poland, and Czechoslovakia. At the same time, I formally propose in regard to the solution of this problem that both sides agree mutually and simultaneously to the submitted neutral nations of both sides.

Colonel Darrow: I am authorized to state that the neutral nations of Poland and Czechoslovakia are acceptable to the United Nations Command. The Soviet Union is not acceptable.

Colonel Chang: I am sure that your side has understood the thought of our side in making the foregoing proposal in resolving this question. I am also sure that if one side refused something without supporting it with appropriate reasons, the other party would fail to understand such refusal.

Colonel Darrow: I should think it would be obvious to your side why the Soviet Union is not acceptable as a neutral nation and we shall give you the reasons therefor at a later time.

Colonel Chang: Our side fails to discover any reason by which your side opposes those neutral nations which our side has submitted. I must point out first of all that such an attitude on your side is not solving the question but is stalling this question.

Colonel Darrow: There are a great many neutral nations which your side could invite which would be acceptable to our side. However, the Soviet Union is not one of them. I shall be prepared to give you full reasons and amplify my remarks at the next meeting.

Colonel Chang: I again point out the fact that the suggested three neutral nations are in full compliance with the definition of the neutral nations that both sides understand. We fail to find any reason that your side should oppose our suggestion. Such an opposition on your part will only inevitably lead to show that your side is attempting not to resolve this question.

Russia: "Unwanted Guest"

Colonel Kinney: The principle already agreed to in plenary sessions is as follows: "Both sides agree to invite neutral nations *acceptable to both sides* which have not participated in the Korean War." The agreement specifically states that these neutral nations must be acceptable to both sides.

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Colonel Chang, as your side has said many times, the representatives of the neutral nations in the Supervisory Commission have a status in the area under the control of both sides as guests. You have made that point on a number of occasions. These persons are to enter the area that we control as guests. We agree to your view on that point.

Now, what you are attempting to do is to force on our side an *unwanted* guest. Not only are you attempting to force on our side an unwanted guest, but you inquire as to the reason why this particular person is an unwanted guest.

I am sure that you perceive that this action on your part is quite inconsistent with the proprieties. The Soviet Union does not fit the criteria established by agreement between the delegates, and your failure to nominate a nation which does fit those criteria, including the criterion that the nations shall be acceptable to our side, is in direct violation of the agreement reached between the delegates and in violation of the instructions given to the staff meetings.

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"Dubious About Red Honesty"

The Communists also applied their red-herring technique to an issue concerning the activities of neutral observer teams. These neutral observer teams were to be stationed at ports of entry, there to check the flow of military personnel and matériel into and out of Korea. The United Nations Command delegation wished these observers to have the maximum practicable latitude in executing their tasks. The Communists, on the other hand, sought to limit strictly the areas in which the observers could operate. It was the Communist concept that the neutral observers would remain closely confined to certain specified buildings and points within the city named as a port of entry. They conceived that the neutral observers would be notified by the local authorities when a shipment was to enter Korea, and could then proceed to the railway station, dock, or airfield being used. The neutral observers could then, and *only* then, check the entry or exit involved.

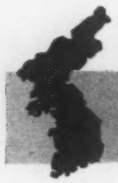
It is only too apparent how ineffective the neutral observers would be under the Communist concept of their activities. All inspections depended upon the honesty of the local Communist military authorities in notifying the neutral teams of the impending exchange of personnel or matériel. We in the United Nations Command delegation were more than dubious about Communist honesty. We preferred to allow the neutral observer teams complete freedom to roam as they would within and around each port of entry, checking activities at random and without notice.

Seeing that a difficulty with the United Nations Command delegation was arising in connection with the relative freedom of neutral observers, the Communists produced another red herring. They proposed that the neutral observers be authorized to inspect every detail of military equipment as they checked it in or out. Since the "neutral" teams were to have Communist members, such a procedure would have exposed all United States technological secrets to our enemies. The bombsights and electronic gunsights of our aircraft, the directing mechanisms of our antiaircraft guns, the inner workings of our radar sets—all of these would have been divulged to

. . . "The effectiveness of the neutral observer teams was foredoomed to impotency in North Korea. Events since the armistice was signed have overwhelmingly demonstrated that ineffectiveness"

Communists' eyes. On the other hand, Communist aircraft and radar were in Manchuria, exempt from investigation by neutral observers.

It was utterly fantastic to expect that any nation would expose its most critical military secrets to the eyes of its enemies. The Communists knew this. They hammered away, therefore, insisting upon unrestricted rights of examination of our equipment by their Communist members of the observer teams. After a period of such insistence, they withdrew this phony proposal, contingent upon the United Nations Command accepting limits on the general activities of the neutral nations. Thus, the effectiveness of the neutral observer teams was foredoomed to impotency in North Korea. Events since the armistice was signed have overwhelmingly demonstrated that ineffectiveness. The Communist red herring has spawned insecurity for United Nations Command forces in Korea and degradation for the prestige of the United States in Asia. Not bad fishmongers, these Communists.



CHAPTER X

TRUTH AND CONSEQUENCES

COMMUNISTS have two techniques with which to deal with truth. One: they deny it. Two: they distort it. The flat denial of truth is the less frequent tactic of Communists, because they have learned that truth is buoyant: submerged, it will pop to the surface at embarrassing moments. Therefore, the Communists much prefer to employ the tactic of distorting truth.

The distortion of truth as practiced by the Communists is a science. The basic procedure is to select out of the whole truth certain parts, which, if put together in a particular way, produce a conclusion exactly contradictory of the whole truth. An example might be the story of the witness of a street fight. A man was accused of mayhem, it being alleged that during a street fight he had bitten off the ear of his opponent. There was only one witness to this fracas. The witness was put on the stand by the lawyer for the accused. The lawyer asked:

"Did you see my client bite off the ear of this man during the fight?"

The witness replied, "I did not."

The lawyer for the accused, being encouraged, then pursued the point further.

"I want this to be very clear. You witnessed the entire fight, but you did not see my client bite off his opponent's ear?"

The witness replied, "No, but I saw him spit it out."

Now the Communists would never have allowed that last statement to appear. He would have halted the record at the witness's first reply, leaving an utterly false conclusion to the hearer.

The simple fact is that with all respect to the military power of the free world, Truth is Communism's most dangerous enemy. Communism knows this, and therefore has become expert at fencing with Truth. Communists cannot afford to allow the full truth to appear unchallenged at any time. If necessary, they deny it outright, especially when they are confident the full truth is not known to their adversaries or, if known, cannot be proved beyond doubt. Such was their procedure in connection with prisoners of war said by the Communists to have been "released at the front."

By February, 1952, the unresolved issues between the two delegations had narrowed to three: (1) The Soviet Union as a "neutral"; (2) the question of building airfields during the truce; (3) the exchange of prisoners of war. The prisoner-of-war question became the main stumbling block of the armistice effort, delaying a truce for over a year. In December, 1951, however, we had not entered this raging issue fully. Tentative discussions were beginning. Almost at once the Communists began to twist truth.

During the course of the Korean War, nearly 100,000 soldiers of the United Nations Command had been listed as missing in action. The vast majority of these were troops of the Republic of Korea. Our own estimates of total numbers captured had been roughly validated by propaganda boasts uttered over their radios by the Communists. On several occasions the Communist propaganda radio had claimed that around 65,000 United Nations Command troops had been captured. Knowing the barbaric nature of the Communist prison camps, the United Nations Command did not expect to receive back the full 100,000 who were missing in action. Some would have died of natural causes; some would have been murdered. But we were not prepared for the Communist distortion we encountered. When the two delegations exchanged lists of prisoners, the Communists reported they had on hand only 11,599 prisoners of war. After recovering from our amazement, we inquired where the remainder were —some 55,000—a figure based on the Communists' own radio claims. . . .

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So the arguments continued for many months. The United Nations Command representative daily demanded an honest accounting of the Communist-held prisoners. In spite of our persistent efforts to ferret out the truth, our opponents clung stubbornly to their fantastic lie that the question of the "missing" 50,000 men no longer existed because they "had been released at the front and were home leading peaceful lives."

On repeated occasions, the United Nations Command delegation asked the Communists directly whether any prisoners held by them were in China. On each of these many occasions the Communists denied that any prisoners were being held outside Korea. Admiral Libby even cited intelligence reports to the Communists, showing that American prisoners had been seen in China. The Communists flatly stated these reports were fictitious. Recent releases of American prisoners

. . . "Communists regard any concession made by their opponents as a sign of weakness. They will not credit their opponents with being motivated by logic or by a sincere desire to make progress"

from China are comment enough on this question. But at Panmunjom, the Communist story was one of injured innocence.

* * *

Americans find it difficult to visualize a breed of men who fight Truth at every turn, not just occasionally, but always and repeatedly. Yet, the Communists are such a breed. Nothing is so perilous to their dark designs as the full, unveiled truth. I sometimes thought they would rather lie than tell the truth even when the truth would make a better case for them. By whatever means are most effective, they assault Truth. Indeed, dedicated as they are to the ascendancy of the greatest lie of history, they can do no other.

CHAPTER XI

INCHES INTO MILES

COMMUNISTS REGARD ANY CONCESSION made by their opponents as a sign of weakness. Many Westerners entertain the notion that to accept some part of a Communist negotiating proposal will encourage the Communists to respond in kind. On the contrary, such action is likely to induce an even more adamant attitude on their part. The Communists reason that their opponents would not accept *any* part of Communist proposals if any other choice were available. Communists expect their opponents to accept their proposals only when *compelled* to do so, or when an exchange of concessions by each side is involved. Therefore, if Western negotiators simply agree to a Communist proposal without insisting on an equal concession on another point, the Communists conclude that their opponents are in a weak general position. With this conclusion in mind, the Communists become more aggressive, demanding more, and conceding nothing.

Communists will never accept a Western proposal, or recede from one of their own, simply because logic or truth indicated such action, or merely to make progress in a conference. Accordingly, they will not credit their opponents with being motivated by logic or by a sincere desire to make progress. Whenever Western negotiators make a concession to Communist views for the purpose of making progress, Communists consider this action is evidence of a deteriorating Western position. Therefore, they press even more strongly for further concessions, and become more confident that time plays on their side.

It has been described earlier how the United Nations Command delegation sought to gain Communist acceptance of aerial observation of the truce. Our purpose was to provide a means of checking, by fast and reliable means, the activities of both sides in abiding by truce terms. The Communists, however, objected strenuously to this procedure. Apparently, they knew that though they could completely frustrate ground observation of their intended violations of the truce terms, aerial observation would be most difficult to circumvent. Based upon considerable experience with Communists in Korea, the United Nations Command held fast to its proposal of aerial observation as an essential to safeguard the armistice terms. A stalemate resulted, with both sides eyeing each other for signs of recession. Excerpts from the ensuing discussion follow. (General Ferenbaugh of the United States Army was the United Nations Command spokesman at this time.)

General Hsieh: Will you cancel your proposal: "In addition, such periodic aerial reconnaissance, observation, and photographic flights as are required will be performed by the non-combatant observer teams"?

General Ferenbaugh: We think our proposal has great merit. Our side has every right to be concerned for the security of our forces during the time of the armistice.

General Hsieh: You will not take away that stumbling block?

General Ferenbaugh: We gave you a proposal which will increase the stability of the armistice. It is your refusal to accept such a provision that causes the deadlock, stumbling block, roadblock, or as you choose to designate it. It is your side that blocks progress by opposing a stable armistice.

General Hsieh: I cannot but point out that you have reversed right and wrong. Your proposal is an interference in our internal affairs. That proposal, every sentence and every word, was put there by your side. As I have repeatedly pointed out, the side that invites suspicion in these armistice negotiations and in the attitude toward the entire settlement of the Korean question is your side. The deadlock is created by your side and it is entirely up to you to break this deadlock.

General Ferenbaugh: I have a couple of thoughts. Why do you object to noncombatant observer teams, noncombatant pilots with noncombatant crews and noncombat airplanes, performing in the same manner as the ground observer teams will do?

General Hsieh: Our side holds that there should be no introduction of military forces in Korea. Therefore, inspection of ports of entry in the rear through which military forces can be introduced is sufficient. There is no need for flights and aerial inspection all over the country.

General Ferenbaugh: Let's take a hypothetical case. How do you expect observer teams to inspect some 570 miles of the Yalu River?

General Hsieh: There is no need for me to answer that question.

General Ferenbaugh: I have another thought then. We are not concerned with whether we interfere with your internal affairs when the alternative to that is to increase greatly the threat to our forces—in other words, the threat of your increased military capabilities. Security comes first during an armistice.

General Hsieh: This question has been answered by me many times. I have said that the side that invites suspicion is not our side but your side.

General Ferenbaugh: Let's carry this a bit further. Who

. . . "Evidently, Washington believed that a no-strings-attached backdown by the United Nations Command would produce a better atmosphere at the conference table. Nothing could have been more removed from reality"

invites suspicion? Who invites suspicion by wanting to rehabilitate airfields? Who is to decide right from wrong?

General Hsieh: It is not the right of any military armistice to discuss the questions of internal facilities of an independent and sovereign state; even less, to make any decision on it. Your side raised such unreasonable demands; we have a perfect right to refuse to discuss them. I tell you I am not here to negotiate this point—the question as to what can be rehabilitated and what cannot. You had better not harbor such an illusion.

General Ferenbaugh: General Hsieh, you might as well accept the fact the United Nations Command is going to keep on insisting on a safeguard, insurance if you will, against the threat of the development of a military air capability on your side during the armistice.

General Hsieh: Your side should be well aware of our attitude on the settlement of the Korean question. Our position on this question constitutes no threat at all to your side.

General Ferenbaugh: We think there is a lot of good hard common sense in our statement. I suggest that you apply this in reading our proposal. I suggest that you give earnest consideration in connection with that proposal.

General Hsieh: There is a prerequisite to our consideration. If your side insists on including the proposal for aerial observation, we will not give any consideration to your proposal.

Losses Through "Concession"

As mentioned before, the United Nations Command delegation—over its objections—received orders from Washington to renounce its position favoring aerial observation of the truce. Evidently, Washington believed that a no-strings-attached backdown by the United Nations Command delegation would produce a better atmosphere at the conference table, leading to greater progress toward a truce. Nothing could have been more removed from reality.

No sooner did the Communists witness the United Nations Command concession on aerial observation of the truce than they stiffened noticeably in their opposition to the United Nations Command proposal on airfield rehabilitation. We were seeking to prohibit the construction or rehabilitation of military airfields in Korea during the armistice. The Communists opposed this proposal. Until the United Nations Command delegation conceded the question of aerial observation, however, the Communists' arguments regarding airfield reconstruction were somewhat less than categoric. After our concession on the aerial observation issue, the Communist position on airfield reconstruction became absolutely inflexible. They never did yield on the question of airfields.

The armistice agreement as finally signed contained no provision for aerial observation and no prohibition of airfield construction. Thus by a "naked" concession on one issue we gained nothing and prejudiced another.

A similar sequence of events occurred in connection with the setting up of an organization to supervise the armistice. The United Nations Command delegation advocated a joint supervisory commission composed of representatives of the two belligerent forces in Korea. The Communists initially opposed *any* kind of armistice supervisory agency, other than the Armistice Commission itself which would be empowered only to supervise the demilitarized zone. Later, however, they proposed a "neutral nations" commission.

We were well aware that the Communist conception of a "neutral" would be a Communist state. We could see nothing but hypocrisy and disadvantage for the United States in an armistice supervisory agency made up of "neutrals" who were Soviet satellites. When the question reached a point of impasse, Washington directed the United Nations Command delegation to accept the "neutral nations" concept, although we had warned that inspection by neutral teams would be nothing more than a gesture with respect to the principle of inspection.

When the Communists were apprised of our recession on the composition of the supervisory agency they pondered the matter for several weeks. As described previously, at the end of this period they proposed the Soviet Union as a neutral-nation member of the supervisory commission. I felt that the Communists took this action somewhat with tongue in cheek. They could scarcely have believed that we would accept the Soviet Union as a "neutral." They must have wished to probe Western weakness in order to discover whether it had a bottom. In any event, the issue of the Soviet Union as a "neutral" grew directly from our concession regarding the composition of the supervisory organization. *Give* the Communists an inch and they seek to take a mile.

Perhaps the greatest single blunder of which the Western world was guilty in the Korean Armistice Conference arose from the fallacy of "concessions." The first mistake in this connection occurred when the demarcation line, or truce line separating the two sides, was being established. As mentioned before, from the standpoint of hindsight, the United Nations Command delegation made a major error in allowing determination of the truce line to precede other agenda items. We could have recovered from this error, however, had we been permitted to do so. But the error was compounded and made irrevocable by a directive from Washington.

"Principle" of Truce Line

When the United Nations Command delegation approached the question of a truce line across Korea, we came to an early conclusion that there should be no firm identification of that line until just prior to the signing of the armistice agreement. We recognized that to specify a particular line on the map as the truce line would tend to freeze the combat situation, relieving the Communists of military pressure. Accordingly, we sought agreement *in principle* that the truce line should be the line of contact between the ground forces *at the time the armistice agreement was signed.*

Such an agreement would leave the Eighth Army free to continue its northward advance and thus to exert continuing pressure on the Communists to reach an early armistice agreement. The more the Communists delayed, the more they would lose in Korea.

The Communists recognized the implications of a free-wheeling truce line as well as we did. They were insistent, therefore, that the truce line be fixed once and for all. They realized that once a line was finally set and agreed upon, the United Nations Command would not be free to conduct mili-

. . . "It is my considered judgment that this error in offering a concession cost the United States a full year of war in Korea. I hope our government learned a lesson. Certainly we paid a monstrous price for the schooling"

tary operations and to seize territory that would have to be surrendered again at the time the truce was signed. Furthermore, the casualties inevitably resulting could not be justified. In short, they wanted a *"de facto"* cease fire as a relief from the Eighth Army's pressure.

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The question at issue in these premises was not one of real estate. It was a question of military pressure, without which we doubted that the Communists could be compelled to negotiate reasonably. On the other hand, we felt sure that if our United Nations Command attack was kept up in full strength the Communists would have no choice but to accept equitable armistice terms within a reasonable time. It was evident to us that the Communist negotiators analyzed the situation likewise.

At this point the United Nations Command delegation, over our and General Ridgway's strenuous objections, received instructions from Washington directing us to agree to immediate delineation of a truce line across Korea. These instructions specified that we should require the Communists to agree to a provisional truce line conforming to the battle line which would hold good for thirty days, after which the truce line would become the battle line at the time the armistice was signed. In effect, this decision gave the Communists what they had been seeking—a *"de facto"* cease fire for thirty days which enabled them to dig in and stabilize their battle line.

This concession to the Communists was the turning point of the armistice conference. Thereafter, because the fighting slackened, we lacked the essential military pressure with which to enforce a reasonable attitude toward the negotiations. Our delegation no longer had a strong lever to use against Communist intransigence. Thereafter we were confronted with Communist stalling and delaying tactics at every turn.

It is my considered judgment that this error in offering a concession to gain nothing more than apparent (and illusory) progress in the negotiations cost the United States a full year of war in Korea and armistice terms far more disadvantageous than otherwise could have been obtained. I hope our government learned a lesson. Certainly we paid a monstrous price for the schooling.

CHAPTER XII

THE WELSHERS

COMMUNIST NEGOTIATING PROCEDURE is replete with devices designed to avoid agreements in any way prejudicial to their objectives. Yet when these have been fully employed the Communists have not shot their final bolt. Communists are not embarrassed in the least to deny an agreement already reached. It makes little difference that such agreements may be in written form. If so, the Communists simply state that *your* interpretation is an incorrect one.

Communist tactics in welshing on agreements are often identical to those of the man who was required to state, under oath, whether a certain written sentence was correct. The sentence was, "Jones said Smith was the guilty party." The man certified under oath that this statement was correct. Later he decided to change his position on the matter in question. Consequently, he then stated that the correct version was, "Jones," said Smith, "was the guilty party." By inserting punctuation he changed the sense of the sentence 180 degrees. With people who are capable of such tricky reversals of their field, having agreements in writing helps very little.

As discussed in the preceding chapter, the first major agreement reached in the Korean Armistice Conference was to use the ground battle line as the truce line. Staff officers labored for weeks to reach an agreed version of where this line of contact lay. After seemingly interminable haggling by the Communists, a line was finally marked out, mile by tortured mile, on a huge map of Korea. Each point on the line was disputed, until finally one side or the other conceded the position. After long days and nights of such crawling progress, at last a line existed on the map that had been accepted in all parts by both groups of staff officers. No sooner had the last section been drawn in, completing the line to the sea, than the Communist staff officers began welshing on their agreements. Colonel Tsai turned to previously agreed sections of the map and announced that he could not accept the positions marked thereon.

The first point he indicated as unacceptable was contained in a section of the line that he himself had marked in with a red pencil. Thus, Tsai denounced as unacceptable to his side a section of the truce line he himself had just entered on the map and which had been agreed to by our United Nations Command staff officers. Colonel Murray, our United Nations Command staff officer who had developed the line along with Tsai, slammed down his fist on the conference table and grated at the Chinese: "Why, you damned buffoon! You deny agreements you entered into not an hour ago, in fact one you yourself offered!"

This outburst by Murray, a formidable-looking Marine officer, caused Tsai to retire to the far corner of the tent muttering that he could not be bullied. In the upshot, the disputed points were resolved, but not without extended wrangling.

Some months later, the question of exchanging prisoners of war arose in all its complications. As will be discussed later, on instructions from Washington the United Nations Command delegation adopted the position that only those prisoners who would not forcibly resist repatriation should be returned to the Communists. This principle required that a screening of all United Nations Command-held prisoners be accomplished to determine which ones were to return to the Communists.

After objecting for many weeks to such a procedure, as well

. . . "An agreement is binding on Communists only if it operates to the advantage of their purposes. If they discover that an agreement works to the disadvantage of Communism, then it is invalid"

as to the principle of no forced repatriation, the Communists tacitly agreed to the screening process. They even proceeded to assist the United Nations Command in executing the screening by providing a letter to be read to all prisoners urging them to return to the Communist fold. The letter stated in part:

"We wholeheartedly welcome the return of all of our captured personnel to the arms of the motherland; we have further guaranteed, in an agreement reached with the other side, that all captured personnel shall, after their repatriation, rejoin their families to participate in peaceful construction and live a peaceful life."

Red Attack on "Screening"

Thus the Communist negotiators contributed to the screening process before the screening of prisoners was accomplished and before results displeasing to them became known. Now hear them on this same point after the screening count had come in, showing that the majority of the prisoners did not wish to return to Communism:

General Nam Il: We absolutely do not recognize any of the so-called screening and its results conducted by your side! Our side absolutely cannot agree to any such course of action taken by your side! This figure, which does not in the least represent actual facts, is meaningless and our side absolutely cannot consider it! In taking such a course of action and presenting such an absurd figure, your side is in effect attempting to make our side accept completely, through this round figure, the principle of so-called "voluntary repatriation" of your side. That principle of "voluntary repatriation" is, in effect, a principle of forced retention of the captured personnel of our side. It has met with firm opposition from our side for the past four months and that is what our side absolutely cannot accept. Your side has overthrown the basis for further negotiations! Such insistence by your side on our acceptance of your absurd and unreasonable proposition of forced retention of the captured personnel of our side will not have its way and will not achieve its aim. Such insistence by your side only makes us more doubtful whether your side really intends to settle questions through negotiations and to reach an armistice at any early date.

Our side is firmly opposed to the retention of our captured personnel by your side and to any screening which is designed for the retention of our captured personnel. It is inconceivable and nobody would believe that our side, who is firmly opposed to the retention of our captured personnel by your side under whatever name, could have agreed directly to your so-called screening!

The question now is whether your side would choose to insist upon your unilateral and unreasonable proposition to retain our captured personnel rather than reach an armistice in Korea. If you do this, you will be condemned by the families of tens of thousands of war prisoners by both sides and by the peace-loving people throughout the world.

Admiral Joy: You furnished our side for use in our screening process a statement of amnesty from your official sources. In short, you knew that screening was to take place; you acquiesced in its accomplishment; and only when its result was not to your liking and expectation did you decide to object to it. Had the results been to your liking, you would have enthusiastically welcomed the product of the screening.

Thus it is clear that your complaint that the screening of prisoners of war was illegal is a hypocritical complaint, based on your unwillingness publicly to acknowledge the truth.

General Nam Il: Our side has always been opposed to your screening of our captured personnel. Our side opposed it in the past, opposes it now, and will oppose it in the future. But you have the audacity to say that, "The screening of prisoners was entered into in good faith and was done with your full knowledge and acquiescence." I must point out with emphasis that this is completely fabrication and slander. The record of the discussions of the prisoner-of-war question thoroughly belies such unfounded fabrications of yours.

Thus the Communists executed denials of agreements they had entered. To them the matter is very simple. An agreement has no special validity of its own, no matter how solemnly ratified. An agreement is binding on Communists only if it operates to the advantage of their purposes. If they discover that an agreement works to the disadvantage of Communism, then it is invalid. To their devious minds, it is irrational to abide by an undertaking that is working out badly for their cause, no matter what dishonor might attend the act of welshing. Whoever rests his faith on the reliability of Communist agreements hangs perilously by a frayed rope.

A somewhat amusing indication of the Communist tendency to welsh occurred in February, 1952, when we took up Item 5 of the agenda. This item was cryptically stated as "Recommendations to the governments concerned." The Communists wished to incorporate in this item all manner of proposals relating to the general situation in the Far East. The United Nations Command delegation firmly maintained, however, that the "charter" of the Korean armistice conference limited it strictly to Korea. Finally, the Communists submitted a proposal regarding Item 5. The sense of this proposal was substantially that after the armistice was signed, a political conference should be held to discuss such matters as withdrawal of foreign troops from Korea, a peace treaty for Korea, and related matters.

Agreement Brings "Confusion"

Our delegation considered the Communist proposal from the standpoint that, after all, it constituted no more than a *recommendation* to the governments involved in the Korean War. Those governments could accept or reject the recommendations as they saw fit. Therefore, we promptly accepted the Communist proposal.

When I informed Nam Il that our side accepted his wording for Item 5, the Communist delegation went into a state of confusion. Not only had the United Nations Command delegation accepted their wording for Agenda Item 5; we had accepted it quickly. The Communists were all suspicion. Where had they blundered? Nam Il asked for a forty-minute recess.

At the end of the recess, Nam Il asked that the recess be extended until the following day. On the following day, the

...."The Communists had captured approximately 100,000 United Nations Command personnel. They had reported only 110 names to Geneva"

Communists again extended the recess for another twenty-four hours.

When we met again with the Communists, Nam Il delivered a long statement full of escape clauses affecting his own proposal. At the end of this, still apparently uncertain about his own proposal, Nam Il proposed that staff officers be directed to discuss Item 5 further. Colonels Chang and Kinney were delegated to this task, but I instructed Kinney not to agree to any substantive change in the Communists' proposal. No further meetings were ever held on this subject.

The Communists did not actually welsh on their own proposal regarding Item 5, but I think it is obvious they thought long and hard about doing so. Though they had submitted their proposal in writing and argued for it in vigorous fashion, none of us in the United Nations Command delegation would have been at all surprised if they had denounced it utterly when our meetings were resumed. Perhaps the moral of this story is: Never trust a Communist promise, however given: trust only Communist deeds.

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CHAPTER XIII

THE PRISONER-OF-WAR ISSUE

DURING THE COURSE of the war, the United Nations Command had captured 176,000 prisoners of war. In accord with the Geneva Conventions we had promptly reported the names of these prisoners to Geneva. An important fact to remember about these captured personnel is that they were *captured*. The overwhelming majority of these people did not come rushing into our arms voluntarily. Most of them were taken in General MacArthur's giant net, fashioned by the Inchon flanking operation early in the war. Almost all had been taken prisoner at the point of United Nations Command guns. Prior to that time, they had been energetically killing, wounding, or firing at United Nations Command personnel. Only a minute number were "surrendered personnel" who had come to our side because of hope for a better life. They were prisoners of war in the truest sense of the phrase.

During the same period, the Communists had captured approximately 100,000 United Nations Command personnel, most of them troops of the Republic of Korea. The Communists had reported only 110 names to Geneva, for reasons best known to them. They had boasted, however, on their propaganda radios of capturing 65,000 United Nations Command troops. Although the Communists had reported only 110 names to Geneva, they released 177 United Nations Command personnel held by them "at the front." By "release at the front" is meant they brought groups of prisoners to within sight of our front lines and told them they were free to go. All of these 177 men proceeded directly to our side and were recovered.

The opening gun of the prisoner-of-war debate was fired on 27 November, 1951, when I asked Nam Il to agree to the exchange of names of prisoners held by each side. The Communists evaded this proposal by simply ignoring it.

On December 4, 1951, I suggested that a subdelegation be formed to initiate discussion of the exchange of prisoners. After considering the matter a week, the Communists agreed. Meetings of the subdelegation began on 11 December.

Admiral R. E. Libby, senior member of the United Nations Command subdelegation, pointed the first week of discussions at the objective of exchanging lists of names of prisoners. At last the Communists agreed to do this. We furnished a list of 132,000 names, about 20,000 Chinese and the remainder Korean. The Communists furnished a list of only 11,559 names, including 3,198 United States personnel. Obviously there were discrepancies between the totals previously announced by both sides and the numbers provided by name. The United Nations Command had reported 176,000 names to Geneva, but submitted a list to the Communists of only 132,000. The Communists had boasted of capturing 65,000 United Nations Command personnel, but submitted a list to us of less than 12,000. These differences needed explanation.

During the rapid advance of the United Nations Command forces northward to the Yalu in 1950, many Koreans whose identity was questionable were swept into our military custody. The press and confusion of war made it most difficult to determine who was a guerrilla, who was not. This situation was the more confounded by the fact that North Korean troopers, faced with imminent capture, would shuck their uniforms and mingle with the Korean populace. When a screening was later performed under the auspices of the International Committee of the Red Cross, 38,000 of those in our custody were found to be bona fide citizens of the Republic of Korea. These were reclassified as civilian internees, but we continued to hold them in custody against the necessity of having to account for them. Removal of this group from our reported total of 176,000 brought the figure down to 138,000. Deaths and escapes occurring in two years reduced the total to 132,000. This total was submitted to the Communists.

On the Communist side, the story was a weird one. The difference between their radio claims of 65,000 prisoners and their submission to us of 11,559 names—about 53,000 men—was explained away by Lee Sang Jo of the Communists with the bald untruth that these 53,000 were "released at the front." Actually most of the 53,000 had been impressed into the North Korean Army. Such was the statistical situation when the great debate on prisoners of war began.

Originally it was the intent of the United Nations Command delegation to propose an all-for-all exchange of prisoners. This seemed the most promising approach *to ensure beyond doubt* the recovery of all the United Nations Command personnel held by the Communists. We felt morally obligated to recover *all* United Nations Command personnel and to recover them as soon as possible. We felt that *any* qualification of an all-for-all exchange principle might be an opening wedge for the Communists to use in holding back

. . . "Since we were not allowed to achieve a victory, I wanted the war halted. Voluntary repatriation cost our prisoners in Communist camps a year of captivity"

our people. In Washington, however, other concepts were being entertained.

The United Nations Command delegation received instructions from Washington to propose that prisoners be exchanged on the basis of "voluntary repatriation," that is, each prisoner was to express his desire whether to return to the side of his origin or to remain with the side that held him captive. Later the principle was renamed "no forced repatriation." To the delegation, this concept posed severe dangers.

U. N. Prisoners "Jeopardized"

First, the "voluntary repatriation" principle would jeopardize the recovery of all United Nations Command personnel. Second, it would extend the negotiations, thus extending the period of captivity for the prisoners, and extending the war with its attendant casualties. Third, the principle of voluntary repatriation was an arbitrary one, commanding no solid support in the Geneva Conventions except by unilateral interpretation of that covenant (Articles 7 and 118 of Geneva Conventions*). Fourth, to require prisoners to make a highly important and permanent choice under the conditions of imprisonment was to ask of them a decision they were probably not best prepared to make. Fifth, voluntary repatriation would establish a dangerous precedent which might well react to our disadvantage in future conflicts with Communist powers should they ever hold a preponderance of prisoners. We would have no recourse if they refused neutral visits to their prisoner camps and said that none of our men wished to be repatriated. Sixth, it was a political issue which strictly had no place in a military armistice agreement. A military armistice agreement should be no more than an agreement between opposing commanders to stop fighting. It should never be concerned with political questions.

The other side of this case was based on strong humanitarian considerations. It was assumed that the Communists would at least maltreat if not execute the prisoners they recovered. This was particularly feared in respect to those prisoners who had announced their desire to remain with our side. Some had even tattooed legends on their bodies declaiming their repudiation of Communism. Some of us believed the United Nations Command had a moral obligation to such prisoners not to hand them over to possible Communist kangaroo trials and probable death.

It must be admitted, however, that besides humanitarian considerations, the major objective of the Washington decision to insist on voluntary repatriation was to inflict upon the Communists a propaganda defeat which might deter them from further aggression. It was thought that if any substantial portion of the ex-Communist soldiers refused to return to Communism, a huge setback to Communist subversive activities would ensue. I regret to say this does not seem to have been a valid point. There have been no wholesale defections from Asiatic Communism flowing from *our* demonstration that asylum would be granted. Nor has our demonstration deterred the Communists from their aggression in Indochina and their present warlike intentions pointing to Formosa. Whatever temporary loss of prestige in Asia Communism suffered from the results of "voluntary repatriation" has long since been overtaken by Communism's subsequent victory in that area.

"Voluntary repatriation" placed the welfare of ex-Communist soldiers above that of our own United Nations Command personnel in Communist prison camps, and above that of our United Nations Command personnel still on the battle line in Korea. I wanted our own men back as soon as we could get them. Since we were not allowed to achieve a victory, I wanted the war halted. Voluntary repatriation cost us over a year of war, and cost our United Nations Command prisoners in Communist camps a year of captivity. The United Nations Command suffered at least 50,000 casualties in the continuing Korean War while we argued to protect a lesser number of ex-Communists who did not wish to return to Communism.

Washington directed that we pursue the voluntary repatriation principle. The Communists objected to it vigorously. They pointed out that the Geneva Convention required the return of all prisoners to the side of their origin—a correct *literal* interpretation of that covenant. We argued that the *spirit* of the Geneva Convention was to protect the best interests of prisoners, and that our proposal did that. As described previously, after many weeks of wrangling, the Communists agreed to provide us with an amnesty proclamation to be read to all prisoners held by us prior to screening them to determine their desires. Thus, the Communists lent themselves to the initial screening of prisoners, perhaps hoping that the results would not be too unpleasant from their point of view.

The screening of prisoners introduced severe difficulties. Many groups of Communist prisoners, still fanatic Communists, refused to be screened. Certain compounds of these fanatics held in our big prisoner-of-war camp on the island of Koje-do would not submit to questioning by our screening teams, and would not budge out of their compounds. These compounds were therefore considered 100 per cent Communist. Other compounds were dominated by thoroughly indoctrinated and equally fanatic *anti*-Communists. These leaders so intimidated weaker willed prisoners that many were fearful of expressing their desire for repatriation. When the totals of the screening process were taken and reported to the delegation we were all amazed. Only about 70,000 of the total 132,000 prisoners agreed to return to Communism.

"Point of No Return"

On hearing these results the Communist delegation went through the overhead of the tent at Panmunjom. They charged the United Nations Command with every manner of crime relative to the prisoners. They contended that the screening was done under conditions forcing the prisoners to reject Communism. Admiral Libby remarked to me, "We have passed the point of no return."

Listen for a moment to the voice of our opponents as they raged over our alleged villainy:

General Nam Il: Everybody knows that for a long period of time you have been using Chiang Kai-shek's gangsters and Syngman Rhee's agents to take all kinds of barbarous measures to coerce our captured personnel into refusing repatriation. You have not hesitated to use methods of

*"Article 7. Prisoners of war may in no circumstances renounce in part or in entirety the rights secured to them by the present Convention.

"Article 118. Prisoners of war shall be released and repatriated without delay after the cessation of active hostilities."

. . . Admiral Joy to the Communists: "You impute to the United Nations Command the same suspicion, greed, and deviousness which are your stock in trade"

bloodshed and murder to gain your infamous aim. You have not yet made an account for the incidents of February 18th and March 13th, when your side twice massacred our captured personnel.

In order to assist you to gain the aim of retaining our captured personnel, the Chiang Kai-shek ring repeatedly directed their agents to force our captured personnel to start the so-called movement of refusing repatriation by writing blood petitions, making appeals, and even by announcing collective suicide. For all these facts, our side is in possession of incontestable evidence. Your activities in employing barbarous methods in an attempt to retain our captured personnel by force have already reached such an extent as makes it impossible for you to hide or deny them.

To strengthen your rule of bloodshed and violence over our captured personnel, your side recently moved large amounts of reinforcing forces to the locality of your prisoner-of-war camp, for further suppression of the just resistance of our captured personnel. The fact now placed before the people of the whole world is that in spite of your such barbarous measures, you violated the will of the captured personnel of our side. Thousands of them would rather die than yield to your forcible retention. Your side dares not face this fact. In order to cover up this fact, your side has invented the myth that our captured personnel were not willing to be repatriated.

Why Red Prisoners Rioted

While the Communists talked, they were laying plans. Through their effective "grapevine" communications system with the United Nations Command prisoner compounds at Koje-do, they triggered massive riots of the prisoners. Our prison-camp commandant, a United States Army general, was taken prisoner in a Communist compound and held hostage. His replacement, another United States Army general, signed a paper prepared by the Communist prisoners in order to effect the release of the captured camp commandant. This paper said in effect that there would be no *more* forced screening, no *more* terrorization of the prisoners. This was the ammunition needed by the Communist delegation. Listen to them use it:

General Nam Il: The former commandant of your prisoner-of-war camp openly admitted that your side used all sorts of violence to screen our captured personnel by force in an attempt to retain them as your cannon fodder. The newly appointed commandant of your prisoner-of-war camp openly implied to our captured personnel that no *further* criminal activities in violation of the Geneva Conventions would be perpetrated. Is it not a fact that your side, in order to carry out forcible screening, committed all kinds of atrocities, even including mass massacre against our captured personnel in disregard of the Geneva Conventions and repudiating the minimum standard of human behavior? Is it not a fact that the commandant of your prisoner-of-war camp promised our captured personnel that: "There will be *no more* forcible screening"? You cannot deny these facts.

Seeing that the prisoner-of-war issue was beyond negotiation, I submitted to the Communists on 28 April [1952] what we called our final package proposal. It was a complete armistice agreement containing sixty-two paragraphs, sixty-one of which had been originated by the United Nations Command delegation. In it, we conceded the question of airfield rehabilitation, omitted the Soviet Union and Norway as members of the Neutral Nations Supervisory Commission, and held firm to our principle of voluntary repatriation. I told the Communists that that was the end of negotiating; thenceforward the question was simply one to take it or leave it. For our part, there were to be no more concessions, no substantive changes in the draft armistice agreement. That was it.

Admiral Joy Sums Up

In bidding farewell to the Communists on 22 May, 1952, I had this to say:

Admiral Joy: At the first Plenary Session of our two delegations, on the 10th of July of last year, I said, "The success or failure of the negotiations begun here today depends directly upon the good faith of the delegations present." These words constituted both a promise and a warning—a promise of good faith by our side and a warning that we would expect good faith from your side. Today, at the 65th Plenary Session, my opening remarks on the subject of good faith are more than ever pertinent.

It has become increasingly clear through these long-drawn-out conferences that any hope that your side would bring good faith to these meetings was forlorn indeed. From the very start, you have caviled over procedural details; you have manufactured spurious issues and placed them in controversy for bargaining purposes; you have denied the existence of agreements made between us when you found the fulfillment thereof not to your liking; you have made false charges based on crimes invented for your purposes; and you have indulged in abuse and invective when all other tactics proved ineffective.

Through a constant succession of delays, fraudulent arguments, and artificial attitudes you have obstructed the attainment of an armistice which easily lay within our grasp had there been equal honesty on both sides of this conference table. Nowhere in the record is there a single action of your side which indicates a real and sincere desire to attain the objective for which these conferences were designed. Instead, you have increasingly presented evidence before the world that you did not enter these negotiations with sincerity and high purpose, but rather that you entered into them to gain time to repair your shattered forces and to try to accomplish at the conference table what your armies could not accomplish in the field.

It is an enormous misfortune that you are constitutionally incapable of understanding the fair and dignified attitude of the United Nations Command. Apparently you cannot comprehend that strong and proud and free nations can make costly sacrifices for principles because they are strong; can be dignified in the face of abuse and deceit because they are proud, and can speak honestly because they are free and do not fear the truth. Instead, you impute to the United Nations Command the same suspicion, greed, and deviousness which are your stock in trade. You search every word for a hidden meaning and every agreement for a hidden trap. It would be charitable for me to say that you do these

. . . "Fifteen months were required to impose our principle of voluntary repatriation. It must have been a painful year for Americans in Communist dungeons"

things by instinct, but you are people of intelligence and it is probably truer to say that you do these things with purpose and design.

From the very first, the United Nations Command has had but one objective in Korea: To bring an end to the Korean war so that a permanent and enduring peace might be established as quickly as possible. This has been the precise objective of the United Nations Command delegation in these negotiations. This is what we meant by good faith on our part. You have but to examine the record to see the many evidences of our restraint, our constructive suggestions, our willingness to conciliate and compromise, and our patience.

Barrier to an Armistice

There is very little evidence of similar contributions by your side. As an answer to the question, "Which side has brought good faith to these meetings?" nothing could be more impressive than a comparison of the actions of the two delegations during our ten months of these conferences. They are as different as day and night. No amount of propaganda, however oft repeated, can hide your ignoble record. That these meetings have continued this long and that we have, after a fashion, resolved our differences to the point where only one major issue remains is testimony to the patience and dedication of the United Nations Command.

Now our negotiations have come to the point where the prisoner-of-war issue stands as a formidable barrier to the accomplishment of an armistice. Casting aside any pretense of humanity, you have made the demand that the United Nations Command must return to your side all the prisoners of war in its custody, driving them at the point of a bayonet if necessary. You even have the colossal impertinence to document your position by referring to the Geneva Convention. What could be more ironic than your attempt to found your inhuman proposition upon an international agreement whose purpose is to defend and protect the unfortunate victims of war? These are strange words for you to employ. You who have denied the International Red Cross access to your prisoner-of-war camps, who have refused to furnish lists of prisoners to the Prisoner of War Bureau, and who cannot even account for over fifty thousand (50,000) United Nations Command soldiers whom you officially boasted as having in your custody before the Korean war was nine months old. After months of conciliation, of meeting you more than halfway on issue after issue, the United Nations Command has told you with all firmness and finality that it will not recede from its position with respect to the prisoners of war.

On the 28th of April we offered you an equitable and specific solution to the issues remaining before us. We told you then, and we repeat now that we firmly adhere to the principles of humanity and the preservation of the rights of the individual. These are values which we will not barter, for they are one and the same with the principles which motivated the United Nations Command to oppose you on the battlefield. No amount of argument and invective will move us. If you harbor the slightest desire to restore peace and to end the misery and suffering of millions of innocent people, you must bring to the solution of this issue the good faith which, as I said at our first meeting, would directly determine the success or failure of our negotiations. The decision is in your hands.

After ten months and twelve days I feel that there is nothing more for me to do. There is nothing left to negotiate. I now turn over the unenviable job of further dealings with you to Major General William K. Harrison, who succeeds me as Senior Delegate of the United Nations Command delegation. May God be with him.

And that was *it*. Though the Korean Armistice Conferences continued for more than another year in fits and starts, the final agreement was substantially that which I had submitted on 28 April, 1952. Arrangements were made for a rescreening of prisoners under the supervision of India. This was accomplished without major alteration of the results we had long before reported. The armistice document signed at Panmunjom on July 27, 1953, was practically identical to that which I tabled in April, 1952, in all but details relative to the mechanics of exchanging prisoners. Thus, fifteen months were required to impose our principle of voluntary repatriation on the Communists. It was a long year for Americans on the battle line in Korea. It must have been a painful year for Americans in Communist dungeons.

I departed the Korean Armistice Conference for assignment as Superintendent of the United States Naval Academy on May 22, 1952. Major General William K. Harrison of the United States Army replaced me as Senior Delegate. Though General Harrison is an unusually able officer whose skill as a negotiator is beyond question, there really was nothing left to negotiate. There was only the long waiting until time alone convinced the Communists our position on the prisoner issue was irrevocable.

Why did the Communists finally bow to the principle of voluntary repatriation after so much resistance? Since they had capitalized on the armistice conference by preparing and occupying almost impregnable defensible positions, the desultory war in Korea was not too much for them to bear. Nor is it useful to look to areas of reason and logic for the answer. No, I think the cause of Communist acquiescence in the principle of voluntary repatriation was neither the continuing hostilities in Korea nor the mercurial status of world opinion.

What Reds Respect

Their plans for the conquest of Indochina may have influenced their ultimate decision. But what influenced them most, I feel certain, were ominous sounds of impending *expanded* warfare, the prospect of United Nations Command forces being released from their confinement to Korea and allowed to range over Red China. During the spring of 1953, the United States began running out of patience. Serious consideration was being given to extending United Nations Command military operations into Red China. The threat of atom bombs was posed: defeat for Red China became a distinct possibility.

Thus at the last, the one negotiating factor that Communists respect above all else was beginning to appear: naked, massive power and the willingness to use that power when necessary. Red China did not dare challenge the unrestrained military strength of the United States. That way lay ruin. In understandable prudence, they took the only step open to them to remove the growing threat of a holocaust in Red China.

It was simple as that. It had always been as simple as that.

THE SOVIET GAME *(Continued from the back of this page)*

to the middle of Germany. Since the Western European nations are less alarmed, they are also less anxious to put real pressure on the Russians to go back to their old borders.

Dispatch by Harry Schwartz from Tiflis, USSR, to *The New York Times:*

Soviet motivation and reasoning behind the past half year's change of foreign policy is a subject for speculation by all Western diplomats in Russia. The following factors are most frequently offered in explanation:

(1) Experience during the past ten years convinced Moscow that a tough policy tended to stiffen the attitude of the West and helped to stimulate Western efforts to rearm. Moscow now hopes that a mild and conciliatory policy will reduce the fear of a Soviet attack and thus soften the cement binding Western nations. The present conflict among Greece, Turkey and Britain is offered as an example of the kind of Western disunity which would not have occurred if fear of Soviet aggression were as great now as it was during the Korean war.

(2) Moscow is now confident that time is on its side. It is, therefore, more willing to wait for further successes than it was formerly. In this respect Moscow is believed to attach great importance to the prospective industrialization of Communist China and to the greatly increased military and economic power which will thereby be added to the Communist bloc.

(3) Moscow is believed convinced that the long-awaited capitalist world postwar depression has been prevented only by what the Soviet press calls the militarization of the Western economy, that is, by the high level of arms production in the West. Moscow, it is held, believes that with lowered world tension Western arms production will be cut and that a depression will inevitably follow, with consequent political and economic weakening of the West. And the consequence of a Western depression would be increased opportunities for Communist subversion in any capitalist country having large numbers in the unemployed ranks.

(4) Finally and not least important there has been good reason to suppose that Moscow really wants a lowering of world tension and a reduction of armaments. Ten years after the war the Soviet living standard is still low and great efforts will be needed to raise it as well as to increase Soviet heavy industrial production.

At the same time that Moscow seeks a general lowering of world tension, however, the Soviet is determined to make no fundamental concessions on the most important world problems nor to miss its golden opportunities for causing trouble and dissension in the nations of the Western world.

That Soviet officials believe their policy this past half year has been highly successful can hardly be doubted by anyone who attends Moscow's diplomatic receptions these days or who reads the Soviet press. At diplomatic receptions the highest Soviet leaders make clear that they are fully satisfied with the way things are going for them in most areas of the world. On another level Soviet newspaper men ask American correspondents why United States reaction to Soviet foreign policy is so clumsy.

The Soviet press carries frequent material quoting Western correspondents on the alleged confusion and hardships which Soviet foreign policy has created for American foreign policy. Even Secretary Dulles was quoted this week as saying in his Miami speech that Soviet policy has created enormous difficulties for the conduct of American foreign policy.

Moreover, from time to time events occur which further bolster the Soviet's belief that its foreign policy is on the right course. Only this week there has been great rejoicing in this country over the election results in Indonesia, with the indicated defeat of pro-Western elements as against Communist-supported groups hostile to the West. The great difficulties of France in North Africa further bolster Moscow's confidence that the tide of history is now going its way.

The Soviet analysis of what is wrong with American foreign policy is summed up by the title of a recent Pravda article. The article is entitled "In Search of a Realistic Foreign Policy." The article suggests that American foreign policy today is unrealistic, inadequate and unsuitable to meet the needs of the current world situation.

Moscow's indictment of America's foreign policy contains these main counts:

(1) While Moscow offers peace and an end of the "cold war," Washington persists in keeping the "cold war" in existence, though people all over the world are tired of all wars, hot or cold, and want peace.

(2) American foreign policy does not really seek disarmament or prohibition of atomic weapons. It pays no attention to the fact that the people of the world are weary of paying for armaments and are terribly frightened by the possibility of atomic war and would support any means which seem likely to get rid of the atomic war nightmare.

(3) The colonial peoples of the world want freedom and will fight for that freedom. The United States must inevitably lose the support of world public opinion so long as it supports the colonial powers such as France in North Africa.

THE SOVIET GAME

(Here are two dispatches from Soviet Russia by two American correspondents published on the same day last week. Though written independently of each other for two different newspapers in New York City, they give a comprehensive report of Moscow's reasoning in dealing with the United States and the Western powers.

The Soviet game is based primarily upon the belief that Americans are gullible and that a conciliatory policy, without making any real concessions, will prove frustrating to the West and eventually mean a victory for the Communists.

Harry Schwartz, who now is in Soviet Russia for The New York Times, *speaks and writes the Russian language and for several years has been the expert for his newspaper on Soviet affairs. His analyses of trends inside the Soviet Union have often been confirmed by events. His dispatch is given below.*

Marguerite Higgins, who writes from Moscow for the New York Herald Tribune, *is an experienced reporter on international affairs and won prominence by her brilliant coverage of the Korean war. Her dispatch also appears below*—David Lawrence, Editor.)

Dispatch by Marguerite Higgins from Moscow to *New York Herald Tribune*:

The West can achieve the reunification of Germany at the forthcoming Geneva conference if, as the Soviet Government has made plain, the West is prepared:

(1) To dismantle the North Atlantic Treaty Organization and construct instead, a collective security system, including Russia and Eastern (Soviet-dominated) Europe.

(2) Guarantee in advance that a united Germany would not align itself politically and militarily with the West,

(3) Agree that the present social system in Western Germany, which Russia says is dominated by bankers, foreign monopolists and rich farmers, be changed so as to give "peace-loving forces" the dominating voice in the government. This can be done, according to the Soviet position, if the West Germans simply adhere to the Potsdam agreement for land reform, destruction of monopolies, and other economic and social measures similar to those existing in Eastern Germany.

(4) Agree that the existence of Eastern Germany is an inescapable historical fact and—as the Soviet press puts it—that Socialism in East Germany is there to stay. The West must also face the fact that Russia, to quote Communist party boss, Nikita S. Khrushchev, "would never agree to any program that would bring about destruction of the great social and economic gains already made in Communist East Germany."

All this of course, is so unacceptable to the West that it seems incredible the Russians should advance the program at all.

But the Russians, who are realists, know that the West will not accept these points at Geneva. At the moment, that fact simply does not bother them, for the status quo in Europe, where Soviet power extends to the Elbe River, suits them very well.

Khrushchev has repeatedly said that the Communist world feels that time is on its side. If the Communists wait long enough, the processes of history and the process of time will, according to the theory being repeated in Moscow every day, bring most if not all of what the West is justly unwilling to concede now.

The Soviets believe they can have their geographical cake and eat it too. They calculate that even if they refuse to budge from the middle of Europe, and even if Geneva fails, a continuation of the present outward cordiality and a mild relaxation of the "Iron Curtain" will predispose the free world to give the Soviet Union more of the things the Communist world does need badly.

These are deliveries from the West of machine tools and other essential materials to build heavy industry in this country and Red China. And almost all Western European countries have recently indicated a very practical interest in widening their commerce with the Soviet Union.

But just as the Russians do not expect any concessions from the West at Geneva, it is highly important that the West realize that the Russians are in no way interested in making concessions of their own.

The Soviet Union is going to the second Geneva conference for the same reasons it went to the first —because it could gain more than it could possibly lose.

As the world has now realized, earlier speculation that Russia had to go to Geneva because of internal crisis has proved to be wishful thinking on the part of Western statesmen. The Russians went because they found it useful for these reasons:

The thaw in the cold war reduces Western fear of the Soviet Union and alarm over possibility of another European war. This in turn lessens the concern in Western Europe about Russia's extension of power

(Continued on back of this page)

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